FOREIGN AFFAIRS

AN AMERICAN QVARTERLY REVIEW

APRIL

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FOREIGN AFFAIRS

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THE PRESIDENT

By Dean Rusk

THE United States, in this second half of the twentieth century, is not a raft tossed by the winds and waves of historical forces over which it has little control. Its dynamic power, physical and ideological, generates historical forces; what it does or does not do makes a great deal of difference to the history of man in this epoch. If realism requires us to avoid illusions of omnipotence, it is just as important that we not underestimate the opportunity and the responsibility which flow from our capacity to act and to influence and shape the course of events. Involved is not merely a benign concern for the well-being of others but the shape of the world in which we ourselves must live. The range within which the nation can make deliberate choices is wide; if we do not make them deliberately, we shall make them by negligence or yield the decisions to others, who will not be mindful of our interests. When the emphasis of discussion falls too heavily for my taste upon the limitations on policy, I recall from early childhood the admonition of the circuit preacher: "Pray as if it were up to God; work as if it were up to you."

The foreign policy of the United States since World War II, seen in broad historical terms, has been responsible and constructive. Surely we can say, quietly among ourselves, that it is a matter of no small moment that a nation with so much power has used it with restraint and toward the purposes which dominate this great democracy. If there are occasional suspicions abroad about our motives, they arise in part from the difficulty of compre-

Editor's Note: This article is based on one of the Elihu Root lectures delivered recently at the Council on Foreign Relations, New York. The lectures are to be published later this year in book form.

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hending so strange a phenomenon. On the other hand, a very high standard of policy and conduct is imposed upon us by our power and hopes, by the expectations of others, and by the necessities of our situation. But we are not likely to achieve significant improvement in the conduct of our foreign relations simply by thinking up new ideas but rather by serious attention to the manner in which we make policy and translate it into action. Men of long experience in both the Executive and Legislative branches of government have serious doubt about whether our present procedures are adequate to the conduct of the public business in our foreign relations over the next quarter century. It is my own view that there is much which can be done within existing constitutional arrangements and that our first task is to exhaust these possibilities before diverting our energies into deeply divisive debates about constitutional change.

The foregoing remarks take on added significance because we are already in a period of more rapid and fundamental change than we have yet experienced as an American nation. A sense of crisis is a recurrent phenomenon in human affairs but at least two factors suggest that our own period may lay special claim to breathlessness. The one is the rate of change in science and technology. The other is the emergence of scores of independent nations not yet firmly set upon their course and the multiplication of those who must be taken into account in our thinking.

These three premises compel a fourth, namely, that our tasks, our unique constitutional arrangements and the external environment place a special premium upon leadership. I have more confidence than some commentators do in the wisdom of our people and their capacity for understanding the essentials of policy. But public opinion can neither devise policy nor carry it out. It cannot debate it effectively unless the issues are framed and presented for discussion, accompanied by the factual background. It cannot even follow and support, in our kind of society, unless it knows where we are trying to go. The President, with the aid of his Secretary of State and the support of the Congress, supplies the leadership in our foreign relations. Criticisms, direct or implied, are inevitable in discussing this matter, but the problems are bipartisan. Not presumptuously, I hope, but as a restraint upon partisanship, I try to think of these comments as being addressed to the next administration, whatever its political complexion.

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II

While Mr. Truman's remark, "The President makes foreign policy," is not the whole story, it serves very well if one wishes to deal with the matter in five words. Most of us have long understood that the powers and responsibilities of the Presidency have grown significantly since 1789 by constitutional interpretation, statute, custom and changing circumstance. What many of us have not fully recognized is the extent to which the office has been transformed during the past three decades under the impact of two historical changes. The one is the massive involvement of the federal government in the economic and social life of the nation, an involvement to which both political parties are committed. The other is the revolutionary change in the world about us and in our own place in it. Although men like Jackson, Lincoln, Theodore Roosevelt and Wilson helped to reduce the shock of the change when it came, the modern Presidency under Franklin Roosevelt, Truman and Eisenhower has become an office of almost unbearable responsibility.

Since even the old and familiar words carry so much new meaning, it might be revealing to recall briefly the burdens undertaken when a man swears that he "will faithfully execute the office of President of the United States." To save time and to look at the full sweep of the office all at once, let us paint with a light and fast-moving brush, taking for granted much of the detail which is or ought to be the common possession of an educated citizenry.

The President is our Chief of State, the formal and symbolic head of the American nation. To the rest of the world he embodies the dignity and sovereignty of the Federal Union and has much to do with the image of America projected beyond our borders. He leads our solemn observances and sets the tone of our national life. Whether we move with zest and confidence in our public and private affairs or plod along in apathy or bewilderment turns in large part upon the morale which flows from the White House. The deference instinctively paid to the office and to the man who holds it is itself a source of power and influence and enhances his ability to act, to persuade and to mediate.

The President is the Chief Executive of the Government of the United States, the administrative head of its ten departments and dozens of independent agencies, staffed by almost two and a quarter million civil servants. Charged by the Consti-

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tution to "take care that the laws be faithfully executed," he must recruit competent leadership for the vast machinery of government and, through evidences of his own interest and concern, inspire the federal service with devotion, pride and a passion for good performance. Since the chain of administrative command cannot, for both good and bad reasons, keep him fully informed about how things are going, he must take advantage of other lines of communication as well—his personal staff, the flow of mail to the White House, the press, observations of members of Congress and of his party colleagues. To counteract the inertia of large organization, he keeps it alive and alert by pertinent questions to Cabinet colleagues, by the unexpected phone call, the scribbled note of commendation or criticism, a comment at a press conference.

He soon finds that making policy is not the end of his task, that policy can be negated by what Elihu Root gently called "unwilling subordinates." He will discover attitudes and practices in the bureaucracy which become unconfessed laws of public administration. One, for example, is that where an exaggerated emphasis is placed upon delegation, responsibility, like sediment, sinks to the bottom. Now that Professor Parkinson is in this country, he might accept as his own the law that in any large organization the proportion of time spent upon central tasks varies inversely with elevation in the bureaucracy. Another is the law, which has semi-respectable roots, that no department or agency can be coördinated by a parallel department or agency; it is *infra dig* to defer horizontally rather than vertically. Still another is the law that everyone affected by a decision must participate in making it.

The departments and agencies of government are each concerned about a part of the whole. The President, assisted by his White House staff and the Executive Office, must weld the parts into an effective national effort. He cannot hope to achieve nice consistency in leading a vigorous and diverse people concerned with conflicting interests and aspirations, but he can try to achieve a broad political consistency in the main directions of movement and to limit the waste and frustration which occur when one hand tears down what the other is laboriously trying to build.

The Constitution provides that "The President shall be Commander-in-Chief of the Army and Navy of the United States."

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Borrowed from the powers of colonial governors and probably influenced by the prospect that George Washington would be the first President, the provision is an independent source of constitutional authority and places the President in direct personal command of the armed forces. Although Woodrow Wilson did not, Lincoln, Franklin D. Roosevelt and Truman assumed personal charge of what has come to be called "the higher direction of war." The nation looks to the President to play the primary role in deciding the types and scale of military power it needs to defend itself and to support its policy. He cannot escape the crucial task of weighing risks and burdens, of finding the elusive and hazardous line between too little and too much. He must look to the morale of our fighting men, assure them of the nation's appreciation and support, and build their pride in their exacting service. On the other hand, he must firmly assert the principle that the first mission of a man in uniform is to do what he is told to do, regardless of the number of stars on his shoulder, and that the military establishment is an instrument, not the master, of policy. Only the President can resolve inter-service rivalries and disputes about their respective roles and he, working with the Congress, must seek to restrain the growth of independent political constituencies in support of particular services as deeply repugnant to our constitutional system. As Commander-in-Chief the President can deploy the armed forces and order them into active operations. In an age of missiles and hydrogen warheads, his powers are as large as the situation requires and the contingencies perhaps the most awful with which he has to live. In a period when men are groping toward the control of armaments and the nature of war has changed beyond recognition, the role of the President as Commander-in-Chief has entered a new phase.

The President is the head of his political party. Indeed, his election is its principal raison d'être as a national party, and has been since the time of Jefferson. Our federal structure and our constitutionally prescribed terms of office deprive party leadership of some of the instruments of party discipline known to parliamentary systems. Once the moment of quadrennial unity has passed, our parties tend toward aimlessness and factions arise out of regional or special interests and the accidents of personal ambition. But the party to which the President belongs can expect a measure of leadership. His party is drawn together by a common interest in the public response to his performance and a common

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aversion to the thought that the rascals across the aisle might name his successor. The President can persuade and cajole, threaten and scold, and offer occasional morsels of political advantage. But the vigor of his partisanship is often restrained by his need to cross the aisle and seek support for his policies from among the opposition, especially when the latter controls one or both houses of Congress.

The President is our Chief Legislator. His proposals make up the central agenda of Congress. Important bills are drafted by or in close consultation with the Executive departments and the Bureau of the Budget. The box scores on "must" legislation which appear toward the end of a Congressional session are used to judge the Congress as well as the President. His veto power, his party leadership and his ability to mobilize public support for his point of view make him a formidable partner in the legislative process.

The President is our Chief Budget Officer. Congress acts upon the budget he proposes and, when all the hubbub is over, passes it with changes of a few percentage points. The Federal budget, about a fifth of the national income, and the fiscal and monetary policies of the government deeply affect the economic and social life of the country—its incentives, its priorities, its directions of growth and of public and private investment, even the nature and extent of its voluntary effort.

The Founding Fathers saw clearly that the health and stability of our political arrangements would turn upon the President's role as the Protector of the Constitution. They singled him out for a prescribed oath that he will to the best of his ability "preserve, protect, and defend the Constitution of the United States." He controls the raw power of the state—the armed forces, the F.B.I., the C.I.A., the Secret Service, the U.S. marshals. Congress may pass laws, even over the President's veto, but the President must look to their prudent and impartial application. The Supreme Court may sustain the Constitution in deciding between the adversaries before it, but the President must conform the conduct of government to the Court's interpretation of the basic law. A national respect for constitutional process is the glue which holds us together and is properly the brooding concern of the man who holds our highest office. In a constitutional system which cannot possibly work unless those who exercise its powers are determined to make it work, the President must anticipate constitutional

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crises and bring all the resources of his office to the prevention of situations for which there can be no tolerable answer. President Franklin D. Roosevelt was effectively rebuked by the nation for resorting to a ward heeler's device to settle his difficulties with the Supreme Court; President Eisenhower failed to use the possibilities of his office to forestall the necessity for bayonets in Little Rock.

In a unique sense the President is the custodian of the national interest. Elected by a national constituency, he speaks to Congress and to the people on the needs of the nation seen as a whole. His audience is understandably more intimately concerned with personal, local or regional affairs and needs his help to understand what is required of citizens of the United States.

But the modern Presidency cannot limit itself to a national interest narrowly defined. Recorded in solemn treaties and rooted in common interest and circumstance, we are a partner in great coalitions which now include more than 40 nations. Our power has reduced our sovereignty and our decisions must take into account the needs and hopes of those whose fates are linked with ours. If the President fails to meet the demands of leadership of a nation-in-coalition, a reluctant or resistant United States cannot be dragged along by others and coalitions as now constituted would rapidly disintegrate.

I have been describing the powers and responsibilities of the highest office in a nation which acts and moves by consent. In only a limited sense is the President in a position to command; it is the essence of our system that the Constitution confers upon him a license to lead. If we are inclined to think of the President as an executive who sits at his desk and strikes off great decisions, we must balance it by the picture of the President as our chief servant who, somewhat as a sheep dog, must round up a free people and persuade them to move in a given direction for a sufficiently long period to make it possible to act upon a policy. This does not mean that he is limited by public opinion as he finds it, or fears it to be. The people who elect him are capable of understanding and concern and are likely to be responsive to his lead. If the issues are critical and there are marginal doubts, many are resolved when the President goes to the country and asks for its support. When we assess the possibilities of action in terms of public opinion it is crucial to understand the difference between desultory impressions and responses to vigorous leadership.

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The powers and responsibilities we have been discussing are those which engage the thought, time and energy of the President himself. By statute and executive order provision can be made for large delegations of function, but ultimate responsibility comes back to the office which has led some to call ours a "presidential system" of government. He is indispensable, even if he is not irreplaceable.

III

Against this background of what we have called unbearable responsibility, the question arises as to whether the President of the United States can wisely undertake the burdens and hazards of personal diplomacy at the summit. This is not a moment when it is easy to discuss the problem with detachment. But it needs discussion. Earlier American skepticism and reluctance about summit diplomacy have apparently been brushed aside with the warm approval of public opinion here and abroad. The prospect is for a series of summit meetings during 1960 and beyond. The next President of the United States may find himself limited in his freedom to determine how he is to discharge his awesome duties by commitments made by his predecessor in the closing phase of an eight-year administration. If the President of the United States is to assume an active role in negotiations, this will have a serious bearing upon proposals for the reorganization of the higher echelons of the Executive branch of the government. Indeed, it may affect the definition of the circumstances under which the "inability" of the President should open the way for the Vice President to discharge the duties of the office. Meanwhile, public opinion is moved by desperate hope and the fascinations of the spectacular, and we shall face the problems of distinguishing form from substance and of avoiding the slippery slope of relaxed effort which can lead to disillusionment and critical danger.

To put my readers on an equal footing with me immediately, let me anticipate my conclusion. The President, as Chief of State of the United States, can and ought to undertake a limited and carefully planned program of state visits, short in duration and aimed at the exchange of courtesy and respect as a tangible expression of the good will of the American people. But negotiation at the chief-of-government level is quite another matter. It is not easily accommodated among the peculiarities of our consti-

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tutional system; it diverts time and energy from exactly the point at which we can spare it least; it does not give us effective negotiation; such experience as we have had with summit diplomacy does not encourage the view that it contributes to the advancement of American interests. For reasons to which we shall now turn briefly, I conclude that summit diplomacy is to be approached with the wariness with which a prudent physician prescribes a habit-forming drug—a technique to be employed rarely and under the most exceptional circumstances, with rigorous safeguards against its becoming a debilitating or dangerous habit.

It is not surprising that the reasons for American reluctance to go to the summit have not been fully explained, either to our own people or to our friends or enemies abroad. Some we could not expect a President to confess; others would appear tactless to our friends; still others would concede certain tactical advantages to our adversaries. In any event, understanding would be difficult for those who have only the most casual or inaccurate knowledge of our political system, which includes almost everyone beyond our borders. The result is that we are under periodic pressure to appear at the summit ("Isn't negotiation a Good Thing?") and our oversimplified defense ("We must have prior proof that a meeting would be worth while") appears a bit lame. Perhaps an irresponsible private citizen may risk offense by observations which are denied to responsible statesmen.

Why the reluctance? It rests upon an interlacing of political and constitutional factors with notions about effective diplomacy. The first difficulty is that the President of the United States can take the time to prepare himself as a negotiator on serious subjects only by deferring or neglecting some of his central constitutional and political responsibilities.

The principal negotiator must be much more than a mouthpiece for the sheets of paper put in front of him by a staff, however competent the latter might be. Questions worth discussing at the summit are presumably important questions; if so, they require the full involvement of the negotiator before he reaches the table. He must understand the full scope of the issues, and their innermost detail. He must gnaw at his own position and become familiar with its strengths and weaknesses. If he is to use obscure words, he must understand why he does so and in which directions he can afford to clarify. He must know intimately the

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positions of others who are to be present, especially where a common front among allies is a major objective of policy. He must be aware of the impact of the issues upon nations not present at the table and upon American interests in all parts of the world. Prudence requires that he anticipate as best he can the most probable attitude of his principal adversary and the range of alternatives with which his opponent might confront him. He must think carefully about his conduct away from the table itself—the social arrangements, his informal conversations, and, very important, his relations with the press and public opinion. Staff can render invaluable assistance, particularly if by staff we mean the Secretary of State and three or four Assistant Secretaries; but the principal negotiator is in the position of a task force commander who cannot be well served unless he himself fully grasps the situation and knows where he wants to come out. The type of commitment which is required for important high-level negotiation is illustrated by the handling of the first Berlin blockade by Ambassador Philip C. Jessup, the negotiation of the Japanese Peace Treaty by then Ambassador John Foster Dulles, and the development of the Austrian settlement by Ambassador Llewellyn E. Thompson.

But, it will be replied, this is surely not the type of negotiation which occurs at the summit. Exactly. Let us concede in passing that the summit may have other uses, such as to celebrate or confirm agreement already reached through other channels, or as an arena to contest for propaganda advantage, or to "keep talking" to postpone the precipitation of a dangerous issue. If one would add that the summit is conducive to agreement in principle," it might be well to ponder the remark of Secretary George Marshall to a colleague, "Don't ask me to agree in principle; that just means that we haven't agreed yet."

The physical absence of the President from his post in Washington is of enough consequence to be placed upon the scale. The President is as mobile as a jet aircraft, but it is not clear that the Presidency is equally so. One can accept the pleasant and necessary fiction that the White House is wherever the President happens to be and still recognize that prolonged absences from Washington impair the effective performance of the office. Unless the President is accessible, decisions on important matters are postponed by sympathetic subordinates or settled at the level of the common denominator among the departments and agen-

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cies concerned. On his own side, the President will be partially cut off from his Cabinet officers, his personal staff, his usual flow of information, the leaders of Congress and of his own party. In addition, he cannot act with regard to many of the formal and informal aspects of his office which we have earlier discussed. A President must be free to leave Washington, on business or on vacation, but the effect of his absence is greater than his personal staff would have him believe. The Presidency is not quite the same in Warm Springs or Cairo, Key West or Potsdam, Augusta, Moscow, Kabul or Santiago, as it is in Washington, D.C.

We are not concerned here about purely technical problems. In the autumn of 1943, Roosevelt, Churchill and Stalin had an extended exchange about the site of a Big Three meeting. Mr. Stalin preferred Iran and cited his duties in the conduct of the war on the Eastern front. Mr. Roosevelt preferred North Africa and repeatedly insisted that he must be sufficiently close to Washington to be able to deal with legislation sent to him by Congress within the ten days prescribed by the Constitution. His objection to Tehran was that uncertain flying conditions at that season might seriously interfere with this constitutional duty. Stalin refused to budge, even as far as Basra, and the meeting was held in Tehran. In finally yielding, Mr. Roosevelt told Stalin, "You will be glad to know that I have worked out a method whereby, if I receive word that there has been passed by the Congress and forwarded to me a bill requiring my veto, I will fly to Tunis to meet it and then return to the Conference." The charming solution must have confirmed to Stalin that the point had not been serious. It should not be difficult to arrange with Congressional leaders, as a matter of constitutional comity, that bills not be forwarded to the President when he is out of the country or, failing that, to insist that the ten-day meter does not begin to run until the bill reaches the President, wherever he might be. Such problems will not bear the freight which Mr. Roosevelt attempted to load upon them; the real issues are more substantial.

Some of us recall that time was of the essence in the decision to interpose American forces against aggression in Korea. Had the series of decisions been postponed on a scale of, say, 24 hours, we should have faced a wholly different situation on the Korean peninsula. President Truman, in Missouri when the first report of the attack reached Washington, could nevertheless

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authorize immediate reference of the matter to the Security Council and arrive in Washington on the following afternoon to assume full charge of the situation. Jet transport has reduced the difference between Missouri and, say, Western Europe, but guided missiles and alert bombers have almost obliterated the other side of the time equation. Since constitutional arrangements are designed to cover many contingencies which happily never arise, it is not necessarily a sign of panic to suggest that the present strategic situation places a considerable premium upon the immediate availability of the President and Commander-in-Chief. His absence from the United States, in a personal situation which he himself cannot surely control, suggests a contingent "inability to discharge the powers and duties" of his office and revives under new circumstances the discussion of the same point which arose at the time of Wilson's visit to Europe. It is not unreasonable to consider, if eventually to reject, the possibility of providing by statute that the Vice President shall serve as Acting President during the absence of the President from the United States, leaving it to the two of them to determine which matters, short of great emergency, would be forwarded to the President for an indication of his wishes or held for his return. The great departments of government make provision for acting responsibility during the absence of department heads, and the practice is common with private corporations and institutions. However remote one hopes the contingency might be, it is difficult to shake off an underlying uneasiness that one of the most critical duties of the President might be suspended by his inaccessibility, frustrated by the failure of his chief subordinates to agree to act in unison, or usurped by a politically irresponsible general. A provision that the Vice President serve as Acting President during the absences of the President abroad would, of course, mean that Presidents would go abroad only on the rarest occasions—to me one of its most appealing features.

Returning to summit meetings and their capacity to yield constructive agreements, there are lessons from the rich lore of diplomatic experience which are neither controlling nor negligible. The parties can be expected to come to the table in the hope of obtaining an agreement, each on its own terms. The crucial question is whether these terms fit or can be made to fit each other, opening up the possibility of an agreement which each might find advantageous or at least more tolerable than the status

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quo. To explore this question is the chief purpose of negotiation; if it be known in advance that there is no such possibility then the proceedings, whatever they are called, are not negotiation.

The experienced diplomat will usually counsel against the direct confrontation of those with final authority. Negotiation *ad referendum* offers greater opportunity for feeling out the situtation, exploring the opposing points of view, trying out alternative approaches without commitment, testing general propositions by meticulous attention to detail. The process needs time, patience and precision, three resources which are not found in abundance at the highest political level. The direct confrontation of the chiefs of government of the great powers involves an extra tension because the court of last resort is in session. The costs of error or misunderstanding are multiplied by the seriousness of the issues and the power of those present.

Picture two men sitting down together to talk about matters affecting the very survival of the systems they represent, each in position to unleash unbelievably destructive power. Note that the one is impulsive in manner, supremely confident as only a closed mind can be, tempted to play for dramatic effect, motivated by forces only partially perceived by the other, possibly subject to high blood pressure; the other deeply committed to principles for which his adversary has only contempt, weighted down by a sense of responsibility for the hundreds of millions who have freely given him their confidence and whose fates are largely in his hands, a man limited by conscience and policy in his choice of tactics and argument, a man with a quick temper and a weak heart. Is it wise to gamble so heavily; are not these two men who should be kept apart until others have found a sure meeting ground of accommodation between them? Is there not much to be said for institutionalizing their relationship?

The skepticism of the diplomat about the blessings of togetherness among heads of government and foreign ministers is well known. The fifteenth century advice of Philippe de Comines that "Two great princes who wish to establish good personal relations should never meet each other face to face but ought to communicate through good and wise ambassadors" is matched in our own century by Sir Harold Nicolson's reservations about the "habit of personal contact between the statesmen of the world." Discounting generously for wholesome professional bias, their views point us toward a well-grounded generalization. Thinking

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broadly and over the long run, the course of wisdom lies in reducing the impact which accidents of personality have upon the relations among nations. We may recall with satisfaction the personal harmony in which George Marshall, Ernest Bevin and Robert Schuman labored for allied unity and may try to forget the painful results of the personal difficulties between Anthony Eden and John Foster Dulles. But neither friendship nor aversion is an adequate basis for high policy. Personalities change, sometimes rapidly; but the great tasks of building a tolerable world order endure and national interests reach far beyond the idiosyncracies of holders of public office.

I must confess to idle speculation about the extent to which the course of world affairs may have been affected by illness among those holding high public office since, say, the time of Woodrow Wilson. I say "idle" because it would probably be impossible to isolate the effects of illness and we cannot know what might have been. But the international list of those who have carried great responsibility while ill is a long one and there are fleeting glimpses of decisions which good health might have turned another way. The point is mentioned because one of the purposes of diplomacy, including its elaborate formality and high style, is to exclude from great affairs of state the many irrelevancies which spring from human frailty.

If personalities make for complications, these are magnified by the circumstances of a summit meeting. When the Big Three consulted about wartime meetings they seemed much less concerned about getting away from the Germans than about getting away from the press. Apart from the harrowing insistence of the most competitive of the professions, the general atmosphere is that of the football stadium. Is our team winning? Did our man throw him for a loss? Who wins the most valuable player award? But beneath the surface lie the desperate hopes that tensions will be eased, that somehow things will get better. The result is a pervasive pressure toward the creation of illusions—at worst an illusion of victory, at best the pretense of accomplishment where none was achieved.

I must confess that I do not see my way through the inevitable entanglement of summit diplomacy with domestic politics. Can there be any doubt that a summit meeting in the spring and the visit of the President to the Soviet Union in June will give Mr. Khrushchev a chance to influence significantly our coming presi-

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dential election? Were not some of us just a bit embarrassed when Mr. Macmillan announced a general election almost before the vapor trails of the President's jet had dissolved into British skies? Is the President of the United States to be caught up personally in the difficult task of satisfying General de Gaulle's appetite for grandeur? Can we not anticipate cables from still other quarters reading, "My government will fall unless you come to see us"? And how shall we handle the chain reactions which prestige factors will set off if summitry becomes a habit—the demands of other NATO partners to have a share, the need to show that the exclusive club is not limited to white nations and great powers, the resentment in Latin America if left at the bottom of our interest and concern?

One of the arguments made in behalf of summit meetings is that heads of government can talk things over directly with freedom of action and power to come to agreements promptly and decisively. But the President of the United States is subject to what might be called the Woodrow Wilson Effect—he must keep in mind his ability to make good on his commitments when he gets home. If the summit means bold diplomacy for some, it may well mean timidity for us. A President in Washington, in direct touch with his departments and Congressional and party leaders may be able to react more promptly and more confidently than if he himself were present at the table.

A formidable argument for summit diplomacy is the one endorsed by President Eisenhower and repeated by Ambassador Charles Bohlen and others, to the effect that "If you wish to negotiate with the Soviet Union you must talk to Mr. Khrushchev." Standing alone, the argument is not wholly persuasive. Is there point in allowing the Soviet Union to set the style of international negotiation at the cost of disrupting the established political arrangements of other nations? Have we not already made a major concession in yielding to a procedure which works to his advantage and our disadvantage? If he insists upon having a Foreign Minister to whom he does not wish to give his confidence, is he to impose the same ignominious status upon the Secretary of State of the United States? Can we not insist that it is up to each nation to determine for itself who its highest ranking negotiator is to be? Or cannot Mr. Khrushchev find even *one* high-ranking colleague whom he can trust to represent him loyally and effectively?

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IV

Something else has to be thrown into the scale—and because that "something else" may be present, I have been unwilling to criticize the exchange of visits between the President and Mr. Khrushchev and the one summit meeting now firmly arranged. It is just possible that significant changes are taking place in the directions of Soviet policy. It may be that the frightfulness of modern war has made itself felt, that the severities of a police state have revealed their dead end and that public opinion is exerting a moderating influence upon Soviet policy by shifting its priorities. It may be that the Communist revolution is reaching the point which other revolutions have reached, where the dogma is enshrined but not very much is done about it. It could even be that Mr. Khrushchev "needs" summit diplomacy to enable him to bring about certain changes in policy within his own system. If there is substance in these speculations, I would suppose that none of us would regret the President's effort to find out about them. But the risks are as high as the stakes. We are moving into the period in which we have anticipated that we would be at a temporary disadvantage in the strategic field. We are presenting the periodic uncertainty and confusion of a presidential year. In so far as the public record is concerned, there is little to make us think that Soviet objectives have changed, and much to remind us of the growing strength through which they can pursue them. Dissension weakens the unity of the free world. The President is entitled, on the basis of all the information available to him, to take the risks but one can hope that he will be alert to the dangers of illusion. A democratic people can generate their own false hopes very efficiently; the task of leadership is to confront us with our duties in the light of unpleasant reality.

Let me sum up briefly. What we say and how we should like to appear are of transient importance compared with how we conduct the public business in our domestic and foreign affairs. No propaganda is so effective as an earned reputation as a vital society, offering expanding opportunities for its own citizens and basing its relations with the rest of the world upon mutual respect and underlying decency. If we are entitled to a measure of self-confidence, there are insistent problems which demand our attention: the solidarity of our alliances, our relations with newly independent peoples, the suitability of our

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armed forces for our needs, the orderly growth of our economy, the competitive position of our products abroad, our desperate needs in education, deterioration in our transportation and our great urban centers, the acceptance of our minorities as full-fledged citizens, and, in every vocation, profession or service, our shortage of competent men for leadership. Each can make his own list.

The crucial, indispensable contribution which the President can make to the conduct of our foreign affairs is to enter fully into his office, to use its powers and accept its responsibilities, to lead a people who are capable of responding to the obligations of citizenship. He holds a unique office in a unique constitutional system, which offers him vast powers in exchange for leadership —powers which are as large as the situation requires. With deep compassion we can acknowledge that his are burdens which no man ought to be asked to bear, that the problems before him may reach beyond the capacity of the mind of man, and we can be grateful that there are men with the temerity to seek the office. It is respect for the Presidency which leads one to believe that visits to 20 or more countries in the course of a few months, interspersed by periods of preparation and rest, take too much out of the man and his office. A presidential system cannot easily adjust to an interregnum; a nation moving with such great mass and velocity needs the engineer at the throttle.

Finally, the President must prepare himself for those solemn moments when, after all the advice is in from every quarter, he must ascend his lonely pinnacle and decide what we must do. There are such moments, when the whole world holds its breath and our fate is in his hands. Then every fragment of his experience, all that he has read and learned, his understanding of his own nation and of the world about him, his faith, conscience and courage are brought to bear. It is in this realization, not in petty criticism, that we can be jealous of his time and energy and resistant to every influence which comes between the man and his burdens.

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PURPOSE AND POLICY

By Nelson A. Rockefeller

IT IS the nature—and the challenge—of a revolutionary period that, as it unfolds, witnesses view it as a series of seemingly unrelated crises. The essence of the challenge, for a responsible people or a great nation, is to discern the meaning of the period and its implication for the future, and to shape the emerging forces in the light of its purposes. In our particular period one revolution is piled on another—the political revolution giving birth to new nations, the population explosion, the chain of scientific discoveries. And now, before man has learned to live in harmony and freedom on earth, he already must face the problems of conquering space.

Two world wars have shattered a system of political order that had governed most of the earth for more than a century. And as the great empires have retreated or fallen, hundreds of millions of people clamor and fight for fulfillment of new needs and wants, from food to freedom. All this—and not the tyranny of Soviet imperialism—is what stamps ours as an age of revolution, marking the end of a great historic era.

A revolutionary period is always composed of two parts—destruction of the old and creation of the new. Our grave danger in such a time is to fall into a purely defensive posture: a fending off of perils, a kind of fretful and hesitant sparring with history. The risk is that a people can become so obsessed with what they are against that they may fail to articulate—perhaps even to know—what they are for. Nothing is more important than that free nations escape this snare and display conviction about the historic direction they propose to take. The question before America is not whether new patterns should evolve, but who will be their author, with what principles and values, and toward what ends.

The great conflict of our time is not capitalism against Communism; it is freedom against tyranny. The future direction of the world depends on whether the values of human dignity and the brotherhood of men, whose expression in America has inspired so many new nations, can be given a meaning relevant to our time. Here lie our task and our opportunity.

We live at the end of an historical period. During that period we have often risen to heights of striving and sacrifice. But

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a nation that lives merely on the memory of past achievements is going to stifle constructive responses. We cannot mechanically apply old patterns, however well they may have served us in the past. The freedom we have inherited must be reclaimed, redefined, rewon and extended by each generation.

The task is not merely philosophic: it is practical. Without strong values, we shall not be able to distinguish our fears from our hopes, our opportunities from our dangers. Without a sense of purpose, all our values could become increasingly irrelevant to this time of revolution.

We have sometimes acted as if we, as a nation, thought that a "normal state of world affairs" meant a static one, as if we imagined that all upheavals were temporary and each sporadic crisis called for only an essentially technical response. Even our most creative acts—such as the Marshall Plan—tended to be undertaken in this spirit, suggesting that we imagined that, once the immediate need had been met, the world would return to some passive and accommodating state requiring no further creative effort on our part.

All this bears seriously upon the nature of our debate on foreign policy. This debate cannot be allowed to concern itself merely with specific technical solutions. The national life cannot be preoccupied indefinitely with devising tactical responses to this or that emergency. From a debate of this sort the answers we receive can be no better than the questions we ask.

In order to achieve our national purpose, we must be sure to state correctly the nature of the political alternatives before us. If these are false, so will be our decisions. And I fear that we have too often posed to ourselves just such false choices—as if our alternatives, for example, lay between negotiation and military strength, between the economic development of new nations and the fiscal stability of our own nation; between arms control and an armament program; between making commitments to other nations and preserving our own independence of action. This, then, is probably our first task: to get the choices straight, and not to confuse things complementary with things competitive.

I shall try to apply this to five specific areas of foreign policy: the problem of negotiation with the Soviet Union; the problem of military security; the challenge of arms control; the economic goals of the free world; and the values of the new world which is emerging.

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II

The debate on East-West negotiations has been largely dominated by two schools of thought. One—perhaps optimistic—has argued that a basic transformation of Soviet society is probably taking place. The peaceful protestations of Khrushchev are in general taken to be sincere, reflecting the power of a new Soviet bureaucracy, industrial, intellectual and governmental, as well as the pressures of an ever-more-demanding consumer public and possibly the well-founded fears of a giant China. The second school of thought—perhaps pessimistic—has held the contrary view. Dismissing the changes in Soviet society as largely superficial, it has insisted that Soviet ambition remains unaltered and unlimited, with only the tactics modified to serve a stubborn and constant strategy.

I suggest that we, as a nation, do not have to make some theoretical choice between these abstract alternatives—the so-called "soft" or so-called "hard" interpretation of events. Our national task is to shape our national conduct to serve our purposes, not merely to defeat someone else's. Thus, because peace is a basic national purpose we should pursue policies striving to encourage, and to enable, Soviet leaders to end the political conflict that they have imposed upon the world—if they wish, in all political seriousness, to do so. At the same time, effective negotiation presupposes an understanding on the part of the free nations of the nature and elements of a peaceful world. Without this, we shall never know whether Soviet offers are "sincere." We will confuse bargaining technique with purpose. If we are clear about our national goals we can move boldly to establish the framework of negotiations by developing a concrete and imaginative program. Instead of passively awaiting Soviet initiatives, we can place the Soviet leaders in the position of having to respond to ours.

Similarly, we must realize that, since the cold war is essentially a Soviet creation, it can end only by substantive change in Soviet conduct. A change in Soviet manners or Soviet tone is hardly enough. And thus there are two attitudes of mind, equally empty, equally to be avoided. One is pretending that the conflict can be ended simply by a wish. The other is imagining that the prolongation of political conflict is an end in itself.

It is important to be equally clear on some related propositions. Diplomatic flexibility and military readiness are not alternatives. Quite the reverse: they are indispensable aids to one another.

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In our diplomacy, we obviously need flexibility—as this reflects imagination and initiative and creativity. We cannot, and we do not, believe that the oldest political formula or diplomatic proposal is necessarily the best. At the same time, a strong defense, far from constricting or contradicting a flexible diplomacy, is essential to support it. There is no such thing as an effective and imaginative diplomacy to serve a nation which is helplessly weak. The weak can only beg. Only the strong can negotiate seriously.

These reflections have direct relevance to the most immediate issues involved in the "relaxing" of world tensions. To date, the Soviets have largely defined this "relaxation" in terms that can only lead to piecemeal erosion of the free world. These terms are: no right for the free nations to be concerned with affairs in Soviet-ruled areas but unlimited right for Soviet Communism to penetrate and intervene anywhere in the free world. Sometimes, it has been said that the Soviets desire almost nothing from us—except our recognition of the status quo in Eastern Europe and in Germany. But it is difficult to assign any concrete political meaning to this phrase. We have diplomatic relations with the satellites, excepting East Germany—a rump régime imposed by force which we can never accept. We have even extended economic aid, as in the case of Poland. What then do the Soviet leaders specifically want?

No doubt the Soviet leaders would like us to give up what we regard as vital moral values: our belief that each nation has a right to define its own destiny, and that within each nation man should be the master, not the servant, of the state. Here we cannot accommodate them. We cannot stand for self-determination in Asia and Africa—as we do and must—while denying it in Europe. Our values are a threat to Soviet rule only in so far as they reflect the universal aspirations of people and only in so far as Soviet policy disregards such aspirations. And whatever reassurance we can and may give the Soviets against any military threat to themselves, they cannot ask us to protect them from the moral and political consequences of their own acts of oppression.

Effective negotiation with the Soviet Union depends, of course, upon many things other than military power and our sense of world purpose. It requires, for example, ever greater cohesion and the development of common programs in the free world.

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This is well illustrated by the problem of East-West trade. Since about 1954 there has been a manifest increase in Soviet efforts to promote such interchange and to win general acceptance for it. Extolling the benefits of enlarged trade has become as ritualistic a part of the pronouncements of all Soviet bloc visitors to the free world as has proclaiming their zeal for peace. So far this effort has been more impressive in trend than in size. In 1952 only 2 percent of the total trade of free-world nations consisted of imports from or exports to Communist bloc countries. In 1958 and 1959 the figure rose to about 3.5 percent. The trend is obviously on the rise, although it should be noted that the 1958–59 level represents merely a return to the relative weight of East-West trade in 1947 and 1948.

Even if the upward trend continues, the problem will hardly be one of domination by volume. The potential for disruption lies rather in the fact that, unlike free-world trade, Soviet bloc trade is conducted entirely by state trading monopolies operating under close foreign office direction. It is no accident, then, that such trade tends to be highly concentrated upon a relatively few countries, which, by location or political vulnerability, appear to offer promising opportunity for Communist penetration. In 1958, for eight countries—Egypt, Afghanistan, Iceland, Syria, Jugoslavia, Iran, Finland and Turkey—trade with the Soviet bloc represented from 25 to 45 percent of their total foreign trade. Since in the Soviet bloc economic decisions are dominated by political motivations, it is obvious that the countries so involved are vulnerable to pressures, even to a kind of political blackmail.

I have outlined elsewhere, in some detail, cases in which Soviet trade has been conducted upon terms that constituted a serious threat to the stability of the world price structure in fields such as tin and aluminum. I have cited also numbers of other ways in which the monopolistic Soviet bloc trading agencies have violated the regulations painfully built up over the years to assure equitable working of the free-world trading system, and incorporated in the General Agreement on Tariffs and Trade (GATT). These have included cases like the Soviet purchase, with much fanfare, of Egyptian long-staple cotton, only to dump it in Egypt's normal European markets at less than Egyptian prices; and cases demonstrating that discriminatory prices charged to various customers are the general rule of Soviet bloc transactions.

This issue involves far more than the impropriety of allowing

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a very small trading interest to dictate terms of exchange. Even at its present meager levels, Soviet bloc trading methods have demonstrated a considerable capacity to disrupt—selectively—the orderly functioning of free-world markets. If we were to stand by passively, the eventual result could be a serious undermining of our trading system, far surpassing the relatively minor annoyances that have been experienced to date.

This is the challenge of expanding East-West trade. Nevertheless, if the free world is clear about its goals and sufficiently cohesive, it can make expanding East-West trade work for the free world. If we insist that expanding East-West trade be conducted according to the rules for trade to which the free nations adhere, we can make sure that the Trojan Horse of Communist commerce carries no lethal weapons through our gates, and we can trade with the Soviet bloc to the benefit of all our peoples. Specifically, there are four principles for the conduct of East-West trade that we must abide by to protect our interests and those of the free world as a whole.

First, we must insist that all trade with the Soviet bloc conform to the regulations against price discrimination and dumping subscribed to by the 36 nations in GATT.

Second, we should seek agreement among the nations belonging to NATO, SEATO and the Rio Pact to apply to East-West trade the GATT rules designed to prevent discrimination and dumping.

Third, Congress should give the Executive Branch adequate funds and power to deal with any Soviet bloc disruptions or domination of free-world markets.

Fourth, the whole question of Soviet compliance with free-world trading rules should be on the agenda of any forthcoming summit conference as an essential condition of the expansion of East-West trade.

This, it seems to me, is the way to deal with East-West trade. Increased East-West trade can be valuable if it conforms to rules designed to strengthen the integrity and freedom of the economies of nations. But it can be disastrous if we let the Communists use trade to penetrate and disrupt the economies of free countries.

The economic issue reflects the political. In both fields diplomatic flexibility depends on the purpose and cohesiveness of the free world. We can take the initiative to the extent that we are able to define clear goals. We can negotiate with confidence to the degree that the free world can develop a sense of direction spring-

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ing from the values and aspirations of our peoples, and not simply from a desire to counter the Soviet menace. Only then can we give meaning to events, instead of becoming their prisoner.

From all of this, a few principles of policy follow:

We must not confuse tactical improvement in diplomatic table manners with a serious political settlement.

We must not be weak or timid about our principles and about the rights of peoples to pursue their own destinies in freedom.

We must not weaken our own national security in the mere hope that the Soviet Union may soon reduce its own political ambitions.

And there are equally important things that we can do.

We can stand ever ready to welcome and encourage any Soviet steps that move in the direction of a just peace.

We can and must be imaginative and creative in devising proposals for a stable and developing world.

Even while Soviet policy continues committed to a notion of peace that does not seem just, we should stand ready to negotiate about measures to slow and discipline the race in arms.

III

We can negotiate only from a position in which the security of our nation is assured. We do not have the choice between negotiating and putting forth the efforts necessary to assure our security. On the contrary, we must be equally concerned to pursue constructive negotiation *and* to assure the safety of our nation.

There are, indeed, few areas in which new developments challenge our imagination more severely than in the field of security. No area of national life is changing more rapidly. In the past, a weapons system would be valid for a generation at least. Today (as the result of an uninterrupted revolution in weapons technology since World War II) such a system is often outdated when it has barely left the blueprint stage.

With each change, weapons have become more complex and costly. Scientific achievement, crucial as it is, is meaningless unless it can be translated rapidly into operational weapons, and unless these weapons are adequate to the challenges to our security. We face, therefore, problems of efficiency, of lead-times and of doctrine as our security policy must seek to prevent aggression, large or small, by posing unacceptable risks to the aggressor.

Here, as everywhere in our revolutionary world, the rate of

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obsolescence—even of strategies—is enormous. At the end of World War II, we had an atomic monopoly. For a considerable period afterwards we possessed a decisive strategic superiority. In these circumstances, deterrence could reasonably be equated with offensive striking power. We could warn any potential aggressor that an attack would unleash a powerful retaliatory blow.

All these conditions have drastically changed. Three new developments force us to reassess our security: a) the Soviet development of a stockpile of thermonuclear bombs; b) the existence of manned Soviet aircraft capable of attacking the United States; c) the development of Soviet missiles, both intercontinental and intermediary, some of them installed in submarines. As a result of these events, the Soviet Union is now able to attack any place in the United States in a matter of minutes. There are no secure areas. And this Soviet capability is growing.

Thus deterrence, henceforth, can no longer be achieved by offensive striking power alone. It must depend on these factors: a) capacity to retaliate; b) ability to protect our allies; c) willingness to use these capabilities; and d) knowledge on the part of the potential aggressor that both our retaliatory force and our civilian population have the protection to survive an attack.

All these elements are essential. The lack of any one imperils the peace. If our strength is inadequate, it cannot deter. If our will to resist seems uncertain, our power will be paralyzed. If an aggressor doubts the capacity of either our retaliatory force or our civilian population to survive an attack, he may be tempted to seek to destroy us. Hence, in the 1960s we need to give urgent concern to three areas: protection of our retaliatory force, civil defense and forces designed to meet *all* forms of Communist military thrust or threat, including local or limited menaces.

As for guarding our retaliatory force: this, through the 1950s, was concentrated on some 40 SAC bases. There was little danger, for the Soviet capacity for surprise attack was low. But in the 1960s, such a concentration will represent an invitation to attack. Our retaliatory force must be dispersed and protected, and it must be made as mobile as possible. The only significant part of our retaliatory force is the portion that can survive surprise attack. To magnify this portion is the primary purpose of any strategy of deterrence. This requires hardening of bases, mobility of retaliatory systems, a determined effort to close the missile gap

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and, for the interim period before we develop solid-fuel missiles in quantity, an increasing airborne alert of our bomber force.

As for civil defense, there are two basic reasons why it becomes ever more important. The first springs from our national values. The second is based on strategic considerations. Let me say a word about each.

The Moral Problem: To us each human life is intrinsically valuable. We who believe in the strength of the human spirit, and who take pride in the initiative and resourcefulness of our people, cannot adopt a passive attitude in the face of mortal dangers. We must be prepared to face the implications of the world in which we live. We properly recoil before the horrors of nuclear war. But we cannot afford to assume that it could not happen—all the less so as our whole strategy is based on the threat of it. With nuclear weapons multiplying, our security is dependent on the credibility of our willingness to resort to our deterrent. It is our heavy responsibility as public officials and as citizens to save the lives and to protect the health of our people. A lagging effort cannot be excused by our conviction that nuclear war is a tragedy and that we must strive by all honorable means to assure peace.

The Strategic Problem: An aggressor who thought himself capable of destroying our most valuable asset—our people—may be tempted to risk an all-out war. Or, more likely, he may believe that he can threaten our allies without risk—can practice nuclear blackmail against them, and against us, to gain his own ends. Anything that weakens *our* resolve to resist will seem to our allies to jeopardize *their* safety. Conversely, any measures that strengthen our resolve will help assure peace and give courage to all the nations of the free world. The report of the New York State Task Force on Fall-out, as well as Federal studies, indicates that casualties from fall-out alone could be negligible if preparations are made in advance, if the public is educated, and if simple precautions are observed in the event of attack.

Thus both the moral and the strategic necessities are equally plain and compelling.

At the same time, if we succeed in making our retaliatory forces largely invulnerable, it is wise to suppose that Russia can and will succeed in similar efforts. The consequent mutual invulnerability of the two retaliatory forces will, then, create an entirely new situation. Invulnerability for our retaliatory force means that whatever level of surprise attack we may suffer, we

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would still be able to inflict unacceptable losses on the aggressor. Mutual invulnerability means that the same condition applies to *both* sides. When that situation is reached—and we must remember that it will require great efforts to achieve and even more massive efforts to maintain it—neither government, if rational, would deliberately risk all-out retaliation in response to less than an all-out attack. Then the aggressor could be tempted to believe that he could engage in limited aggression with safety to himself. He may calculate that a threatened area will not seem "worth" the price of all-out war to us. And it does not matter whether the aggressor is right in this assumption. Deterrence would fail if he thought he could with impunity confront us with the choice of either abandoning our friends or being ready to sustain a war that would inflict appalling devastation. The Berlin crisis, like that of Korea, is a warning illustration of this difficulty.

The problem is equally grave for our allies. Their major concern is to avoid occupation by the Red Army. If we cannot prevent the Soviet Army from over-running them, they will face an almost impossible dilemma. If their only protection lies in a retaliatory force beyond their own direct control, and if they fear we are going to become increasingly reluctant to use such a force, their position becomes precarious, if not hopeless.

To prevent such political and moral despair, and to continue to deter Soviet and Chinese pressure, it will therefore be increasingly necessary in the 1960s for America to maintain substantial forces to resist aggression locally. Without such forces it may be difficult to maintain the peace. Our allies would be subjected to the kind of blackmail of which Berlin is an augury. Negotiations would be made difficult because of the Soviet conviction that the strategic balance is in their favor. It is for this reason that I have been concerned that we continue to develop nuclear weapons with greater discrimination and suitable for limited operations. At the same time, we must recognize the world-wide repugnance against using them.

The danger is that countries may prefer surrender to being defended if they become convinced that any resistance inevitably involves nuclear devastation. While we cannot give an undertaking that we shall never resort to these weapons—they are, after all, the basis of our retaliatory strength—we must make sure that we will need to employ them only under great provocation and that we will have alternative means to cope with less than all-out

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threats. As the 1960s progress, the free world will have to supplement its nuclear power with greater emphasis on conventional capability than during the period of our atomic preponderance and make provision for strategic mobility of that force.

From even this swift survey, a few major conclusions follow:

Our security program is in constant need of planning far ahead and will require great efforts of imagination. The strategic requirements of the next decade make alliances of ever greater importance. We can no longer defend the free world entirely from our shores, as in the days of our atomic monopoly. Henceforth, more than ever, the security of the free world will depend on the safety of each of its parts. This means that forces capable of resisting local Soviet pressure will have to be strengthened. This is a particular requirement in the case of NATO.

With weapons systems proliferating and with choices multiplying, efficient management of our defense establishment becomes more than ever essential. We must constantly reassess the organization of our Defense Department. Modern weapons have made an increasing number of traditional missions obsolete, and they have caused duplicating and wasteful competition. These must be reduced to the minimum—by realistic reorganization and classification of the structure of our defense establishment.

A particular challenge is the problem of lead-times: the intervals between conception and development and between development and procurement. Our survival may be jeopardized if our opponent should be more successful in this field than we are.

IV

While making every effort to assure our security militarily, we must be aware that the nature of the world in which we live is without precedent. War presents perils without parallel. Technology develops at an explosive rate. The traditional effort to achieve security entirely through strategic means can, in such circumstances, become self-defeating. In the past when a balance of power was achieved, it tended to be stable for a generation at least. No sudden breakthrough was likely to put societies at the mercy of an opponent. The arms race then dealt only with numbers. Whatever the causes of war, the instability of technology was a minor factor.

Today, however, an element of tenseness in the international situation stems from the volatile nature of technology. Each new

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development opens up the possibility of several others. Even if we make the major efforts described above, the danger is still very real that some new and unforeseen technological development will put us in mortal danger. Since the same is true for the other side, the temptation to use a temporary advantage and to launch a surprise attack may be overwhelming.

Whatever their differences, every country shares an obvious concern in avoiding a conflict of mutual annihilation. Every country must seek to escape a conflagration which breaks out simply because of the unstable nature of modern technology. In the past disarmament efforts have usually failed as long as the underlying political tensions continued. Under current conditions, an effective arms-control system may itself remove a significant cause of world tensions. Arms control must be—and is—a major goal of our national policy.

The field of arms control is technically so complex, and still so incompletely understood, that it would be irresponsible to make specific proposals. It may be useful, however, to state a few basic considerations:

1. One of the great difficulties in understanding the problem is that there does not exist within the government a center of responsibility with resources and staff adequate to the importance of the subject. Dr. James Killian, when he served as Scientific Advisor to the President, and Dr. George Kistiakowski, the incumbent, have done outstanding service in this respect. But they would be the first to admit that their efforts have been on an essentially fragmentary and ad hoc basis. What is needed is a permanent staff, a permanent center of concern and a systematic study. Only in this manner can we begin devising and defining responsible proposals.

2. The essence of successful arms-control negotiations is that neither side seek a unilateral advantage. If agreements are to contribute to stability, they should reduce, if possible, the *offensive power of both sides, particularly for surprise attack.*

3. The vital key to an effective arms-control plan is the possibility of inspecting it. Without inspection, arms control can be exploited as a chance for aggression, thus serving the very contrary of its purpose.

4. Time is pressing. It is important to *start* on *some* measures as soon as possible, so that both sides can learn by experience

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with control systems. This is why sweeping proposals like Mr. Khrushchev's plan for total disarmament may be as much a device to prevent arms control as to foster it. If it took us more than two years to understand the much simpler problem of inspecting a nuclear test ban, it is unlikely that so sweeping a plan could be negotiated in time to overcome the perils of the next five years—even assuming good will on both sides. For example, what is to be done about the huge Soviet reserve forces and stockpiles of equipment? Are the Chinese communes a military or a civilian organization? What are the sanctions for violations?

5. An arms-control scheme, to be really effective, should not be confined to the United States and the Soviet Union. It should include NATO, the countries of the Warsaw Pact and indeed the rest of the world. It cannot be effective without Communist China. And Communist Chinese adherence to serious arms control schemes could be an important test of their readiness to become a responsible member of the community of nations.

6. In any negotiation on arms control we must take care that our NATO allies participate as equal partners. We must not give rise to the impression, however unwittingly, that our friends can become objects of bargaining. An important contribution would be to have a single negotiating team for the Western allies under a single chairman and with a single position on critical issues.

7. We must recognize that arms control, particularly in its early phases, is not a device to save money. In fact, inspection mechanisms and the possible realignment of forces required by control schemes may cost more money than we are now spending for military security. This, of course, scarcely makes arms control less important or necessary.

8. Arms control is not an alternative to—but a critical element of—a coherent policy for national security. Thus, what we do in the military field can importantly affect the very feasibility of arms-control negotiations. For example, if we protect our retaliatory force and develop a civil defense program, we would then remove a Soviet incentive for surprise attack. Hence we increase the likelihood of fruitful negotiation to eliminate or at least reduce this danger. Similarly, if we are serious about controlling nuclear weapons, we must be prepared to have adequate conventional forces. And if we are interested in limiting the distribution of ever more destructive weapons, we must give our allies ever plainer political assurances, and create ever closer political ties.

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V

In the previous section I have dealt with issues in which progress depends substantially on Soviet coöperation. But we must not become so obsessed with the Soviet challenge that we neglect the areas where achievement depends primarily on our own creativity, dedication and imagination.

The central fact of our time is the disintegration of the nineteenth century political system, which for all its failings provided order, economic exchange and a means for settling disputes. One of the main tasks of this period is undoubtedly to fulfill the aspirations of peoples in the underdeveloped countries for economic and social growth. But the problem is not purely economic. The great opportunity of our time is not the idea of competition but of world coöperation. The free nations, while respecting diversity, must create a community based on shared values and common goals. Basic to any specific solutions to the economic problem is political understanding and the sustained attitude and spirit with which we approach our task.

We already have important roles in two great, essentially new, international systems, the North Atlantic Community and the Inter-American system. These institutions indicate the pattern of relationships toward which we must strive. European unity should be fostered and extended into a concept embracing the North Atlantic Community as a whole.

In the Organization of American States we have an historic opportunity. Here we can work out relationships still reasonably free from the immediate pressure of Soviet Communism. Here we can demonstrate what freedom can achieve, when left free to pursue its own devices. This requires a determination by the people of the United States that the unity of the Western Hemisphere is essential to the well-being of all its people. Only as the people of Latin America become convinced that this is really our permanent policy can we expect them to join us in building a truly strong Western Hemisphere structure.

These institutions, continually strengthened, define a framework and a direction for our relations with the rest of the world. They enable us to turn with confidence and imagination to the economic problems of the free world. Here the responsibilities of the United States have undergone massive changes during the past decade, and even greater challenges lie ahead. At the end of World War II, the United States was the strongest nation of the

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free world, leading a group of countries that were weak, dependent on us, and laxly united in their principal aims. While the United States has become more powerful still, it now participates in a coalition of nations, many of which have become strong, partly due to our aid. The Western European economy has moved up from about one-fourth the size of ours in 1946 to more than one-half today. Growth in Japan has been even more rapid.

Rapid economic growth in the industrial nations has not been matched in the underdeveloped areas. While there are exceptions —such as much of Latin America and India—the economic advance in most underdeveloped nations has not exceeded the rise in population, so that there has been no growth in the real sense. Moreover, both Latin America and India face difficult problems in maintaining or increasing the rate of economic growth.

These shifts in relative economic strength have vastly altered the role of the United States. On the one hand, they have made things easier: Europe no longer needs economic support and can in fact absorb a larger part of the burden of military defense and of economic aid to less developed nations. But there is a fundamental challenge to our leadership in maintaining cohesion among free-world nations as we approach the tremendous tasks of developing the institutions of the world along lines that will promote freedom, prosperity and human dignity.

A major contribution would be the continuation and expansion of a liberal U. S. trade policy. It is the essence of trade that everybody benefits. A liberal trade policy not only assists developing countries; it also benefits our economy. In other words, by following trade policies that are definitely in our own interests, as well as those of other nations, we can also contribute importantly to our general objectives of world-wide prosperity and growth. Our readiness to make a firm and long-term commitment to freer trade is of the utmost importance.

Maintaining the prosperity and growth of the United States economy is essential to the growth and stability of the free world. A protracted recession here could have tragic effects on the entire free world, while a soundly prosperous and expanding economy here means that we can furnish markets, supplies and investment capital. Indeed, to realize the opportunities before us, it is not sufficient to maintain even our historic rate of growth. Only by increasing productivity at a faster rate can we achieve our goals.

The importance of the United States as a market and a source

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of supply is fundamental. While other industrial nations can furnish a part of the capital required to promote growth in the less developed areas, we have the greatest capacity to generate capital on the scale required to launch these areas towards rapid growth.

To transfer capital and technology to the less developed areas and to support its vast responsibilities throughout the world, the United States must achieve and maintain a viable balance in its international payments. This means that we must have a substantial surplus of exports over imports to finance the transfer of goods and services to other nations in the form of economic and military aid. In the past two years we have faced the problem that the export surplus has shrunk while other foreign commitments have remained at the previous level. Thus, the deficit in international payments increased from less than $1.5 billion a year in the 1950–57 period to more than $3.5 billion in 1958–59.

While short-term prospects of restoring a viable balance of payments position are promising, the longer term problem remains. The dollar has become the world's leading currency. We have become the world's banker, and continued confidence in the dollar is essential in order to prevent a run on the bank and the ensuing forced liquidation and deflation.

One of our great responsibilities is to provide the liquidity needed by the world in the form of a sound currency that will provide the medium for financing an expanding volume of world trade. We can measure up to this responsibility by following sound national economic policies—policies to contain inflation, deal with recessions and promote more rapid economic growth.

One of the most hopeful expressions of the effort to create a new international system is the move towards common markets. The United States represents an example of the wide benefits of a free-trading area. Since its existence, the United States has been the greatest free-trading area in the world.

We must therefore encourage the formation of similar trading areas elsewhere providing they pursue liberal trading practices towards each other designed to contribute to the growth and cohesion of the free world, and to a higher standard of living for its peoples. We now face this problem in very specific terms, with Western Europe forming two trade blocs—the Common Market and the Free Trade Area. Such an economic division in Europe serves the long-term interest of neither the United States nor Europe. By our actions on the trade front, we could press both

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groups to adopt liberal policies in their external trade. We can also promote the idea of an Atlantic Community, as Under Secretary Dillon has been doing, and thus underline the responsibilities of Western Europe to orient its economic policies towards freer trade throughout the free world.

While the economic unity of Europe has been the result largely of European initiative, we face a great opportunity in the Western Hemisphere to help establish coöperative arrangements which will be a major benefit to all the peoples of the Americas and which might serve as a pattern for other areas. No other part of the world has greater resources. Nowhere is the potential for growth more dramatic. If the current rate of population increase is maintained, the population of the Western Hemisphere will exceed one billion people by the turn of the century. The establishment within the Hemisphere of a free flow of goods, capital and manpower would result in the creation of the greatest free-trading area in the world. It would contribute immeasurably to economic growth and a rising standard of living of the peoples of all Western Hemisphere nations, including Canada. It would encompass more than half the productive capacity of the world and would be a tremendously important bargaining unit in the face of the growth of similar units in other regions. I have no illusions about the difficulties of achieving such a grand design. The first step has already been taken by seven South American countries together with Mexico. This movement deserves our increasing support and encouragement. But to speed attainment of the interim stages, and to assure attainment of the ultimate goal, we must set our sights now on the final objective of a Pan American Economic Union.

The regional arrangements of Europe and the Hemisphere should be used as patterns for the economic organization of other parts of the world. For the key fact is that no nation is capable of realizing its aspirations by its own efforts. Regional groups pursuing ever more liberal trade policies towards each other could thus be a step towards the goal of a free-world trading system.

Another challenge of the 1960s is to erect a financial structure that will preclude crises and contribute to world-wide economic advance. Just as the United States invented the Federal Reserve System to provide needed flexibility and confidence in the currency, so the world may need to invent new financial mechanisms.

To be sure, existing knowledge and experience are not adequate

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to the complex task of operating a world-wide money and credit system, nor are national governments as yet willing to submit to the disciplines involved. Yet it would be wise to realize that our ultimate objectives may require a world central bank and to point financial policies in that direction. Thus, the role of the International Monetary Fund can be broadened in that direction, without necessarily implying that the Fund will eventually become the central bank.

Such measures would make a considerable contribution towards the goal of promoting world-wide economic development.

Yet we and other industrial nations can and must do more. Our past efforts, while large in absolute terms, have been too small relative to the task. The existing mechanisms—such as the International Bank for Reconstruction and Development and the Export-Import Bank—have been useful in dealing with many specific problems. But they are inadequate for the major challenge of setting in motion the cumulative forces of self-sustaining economic growth throughout the less developed areas.

This field may well provide the area of major conflict between East and West in the 1960s. We should not shun the conflict, for this is ground on which the West has great advantages. The Soviet system can produce growth, but only at the heavy cost of sacrificing freedom, human dignity and the values the West holds dear. The West can, if it mobilizes its resources and knowledge, produce growth while expanding the area of freedom. Moreover, the West should not conceive the economic development of the new nations in terms of opposition to Communism. Quite to the contrary, our traditions and our concern for human dignity would impel us in this direction even if Communism had never been heard of. We could make this fact dramatically apparent by inviting the Soviet Union to join us in a number of specific programs designed to promote the growth of the developing areas.

The general economic problem is to transfer investment capital and technical knowledge to the lesser developed nations at a more rapid pace than in recent years. This will involve a larger effort in terms of loans, grants and private capital flows on our part and on that of other industrial nations. The challenge to the industrial nations is to help bridge the gap between the advanced and the developing nations—a gap which is still widening.

More money in the form of investment capital, however, is only part of the answer. Improved mechanisms—mainly multi-

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national—are needed. Technical assistance efforts should be expanded as rapidly as we can develop a corps of trained personnel dedicated to the challenging task of world development. Consultation to develop common objectives and joint programs will in itself contribute a sense of direction. But above all we need a national willingness to face up to the challenge and a receptive attitude towards new ideas.

Economic development is not simply a problem of capital formation. Industry requires trained manpower at all levels. Without research facilities, even the most advanced plants will soon become obsolescent, but the process of developing trained manpower is slow, lengthy and expensive. It may take only a few years to build a dam, a steel mill or a textile factory. It takes much longer to produce a competent engineer or administrator. Technical assistance must be one of the major contributions of the industrialized to the developing nations.

The task of building educational institutions consonant with modern requirements is not appreciably less difficult in its cost and time requirements than that of launching successful economic development programs. It is particularly difficult in the field of higher education. Many of the smaller and poorer nations of the world simply lack the financial resources and pools of trained personnel to build, with the rapidity that is needed, first-class universities with their specialized departments of humanities and natural and social sciences, together with specialized schools in medicine and its allied disciplines, the multiple branches of engineering, agriculture and law, and the numerous other applied professions essential to the servicing of modern societies.

A much higher degree of creative imagination than has hitherto been brought to bear must be marshalled to solve this vitally important problem. One line that deserves particular attention is the possibility of developing regional universities open without discrimination to students from the several nations joined in a regional economic accord. This would not necessarily imply either the building of entirely new, centralized, regional institutions or the abandonment of existing national universities or their professional schools. It would be entirely possible to organize regional university structures under central administration but with the graduate and professional schools decentralized—each built upon the existing national school within the area that already had attained the highest status in its given field. Each such school

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might retain its affiliation with its national university, while qualifying for regional status, receiving central support and supervision, and providing equal opportunity for students from any part of the region. In this fashion education as well as economic development programs might benefit from, and serve better, the movements toward regional collaboration that so many countries aspire to.

A people subject to the ravages of diseases and famine cannot achieve increased skills and productivity. Improved sanitation and health services are a pre-condition for economic growth. Again, the movement from rural to urban areas, a typical by-product of economic development, raises the danger that unless modern economic methods are introduced, the rural population will not be able to increase its productivity to keep pace with urban development. This may require an expansion of government services; it will certainly involve rural credit and above all demonstration of improved methods. The advanced countries must help in these important fields.

Whatever technical program we consider, whatever solutions we offer to achieve expanded economic development, we must never lose sight of the fact that efficiency, progress and techniques are not ends in themselves. They have meaning only if they can enhance the dignity of the individual. Our ultimate test as a nation is whether we succeed in enabling the individual human being to fulfill himself and to realize his potentialities—spiritual, moral and material—in freedom.

VI

Our historic role is clear. It is not defined by our ability to find this or that expedient to deal with a particular crisis. Rather it depends on our ability to muster the intellectual and spiritual resources to enable us to deal confidently with the challenges of our time.

Sometimes it is argued that the future will be settled by the productive capacity of the two opposing systems. Obviously, we are deeply concerned about increasing the well-being of men everywhere. But we are not interested *only* in material advancement, either for ourselves or for other peoples. The real issue of our time is that two principles of political order are in fateful conflict. One maintains that the citizen is the creature of the state and that the collective is more important than the individual.

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The other insists upon the intrinsic value of each human being. This is the true basis of the contest, not the relative productive capacity of two systems.

We hear a great deal in these days about competition. We are told that Communism will soon surpass us. We are warned by Mr. Khrushchev that war has become unnecessary—because he will defeat us peacefully. It would be wrong to be complacent about this. But it would be equally dangerous to gear all our actions to our opponent's threats or ambitions. The essential American task does not consist in matching the devices perfected by another system. Our essential task is to design and to pursue our own goals, appropriate to our values and circumstances.

It is possible, indeed probable, that Communism is showing its true inner weakness in the obsessive reiteration of its notion of competition. It may mean that—for all its monolithic appearance —the Communist state has difficulty in generating its own positive and distinctive goals.

In any case, we face tasks which would be essentially the same even if Communism had never existed. We are required to work with the peoples of the world to develop a real world community. Without such a shared purpose no nation of the world is doing more than buying time from adversity or misfortune—and this means little more than paying blackmail to history. Only when we re-dedicate ourselves to work for the dignity of men in freedom will we begin to feel and act less the victim of circumstances, more and more its master.

For the greater part of its history, this continent drew inspiration from what came to be known as the frontier. The geographic frontier no longer exists. Yet frontiers continuously come into existence through discovery, not only physical but intellectual. Wherever people strive for freedom and human dignity, there a frontier is drawn. We have an historic contribution to make, together with the other nations of the free world, by the courage with which we see that the opportunities stand larger than the perils; by the imagination with which we devote ourselves to tasks of political construction; by the fervor—and humility—with which we may make ourselves worthy of the larger community of mankind, whose life, in dignity and security and freedom, is our supreme national purpose.

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HAS RUSSIA CHANGED?

By Leonard Schapiro

WHEN the Second World War was drawing to a close hopes ran high that the Soviet Union had undergone fundamental changes. Britain, and even more the United States, persuaded themselves that Russia had abandoned the aim of world revolution and had reverted to the traditional anxieties of a great power determined to safeguard its own security, and that a real basis existed for a permanent accommodation between the Soviet and the Western powers. This delusion was fostered by the unexpectedly superb military endurance and prowess of the Russian soldier, by the upsurge of patriotic and national, and the decline of ideological, feelings and by Stalin's skill. It is the factor to which, more than any other, we owe our present predicament. This predicament could perhaps have been avoided had those in leading positions taken more note of the history and political system of the Soviet Union.

Since Stalin's death there have been many outward changes in the U.S.S.R.—scientific advance, industrial progress, an improved material standard of living, and relaxation of internal fear and tension. Once again hopes are rising that the time is ripe for a settlement of differences between the Communist and non-Communist blocs on a basis of mutual advantage and concessions—a settlement which had seemed unattainable since the delusion of 1945 was rudely shattered by the cold war. Let us consider what light history and the principles of politics throw on the question: Has Russia changed?

II

A mere glance at Soviet history reveals the close parallel in several respects between what happened after 1921, when the New Economic Policy came into being, and the position in the years after 1953. In each case there was a strong and widespread desire for relaxation after a period of strain—in 1921 following the Civil War and in 1953 following Stalin's last grim years. (This is particularly true if, as seems probable on the evidence, Stalin's death came only just in time to avert a new large-scale wave of terror.) In each case the problem arose of replacing an acknowledged leader without there being any general agreement in the

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top hierarchy on the successor. In each case after a makeshift and insincere experiment in "collective leadership" the man who controlled the apparatus of the Communist Party emerged as the acknowledged leader.

The parallel becomes closest when one looks at the predicament in which the Soviet rulers found themselves in 1921 and in 1953 and at the principles which they adopted to meet it. In 1921, Communist rule faced the danger of imminent collapse. In March 1953, with the terrible figure of Stalin removed, and confronted with the accumulated hatred and dreams of revenge which his rule had engendered, his survivors issued an appeal against "disorder and panic," revealing in those two words the slender foundations upon which they themselves believed their legitimacy to rest. The predicament was dealt with in exactly the same way in the two crises separated by 32 years. First and foremost there were economic concessions and some relaxation of the more extreme forms of state repression. Under N.E.P., concessions to private initiative and economic laws at the expense of doctrinal rigidity, and a serious attempt to conciliate the infuriated (and often embattled) peasants, led before long to a recovery of agricultural and industrial production and to an increase in the standard of living, at any rate to the prewar level. After 1953, similarly, concessions to the peasants first averted a catastrophe on the land and then led to substantial progress in agricultural production; while industry and science benefited both from more rational decentralization and from the substitution of initiative for terror as a spur to progress.

Yet neither after 1921 nor after 1953 was there the slightest relaxation in the basic principle of Soviet government—party control. Indeed, it was in March 1921, at the very Party Congress which approved the transition to N.E.P., that the modern form of party control was first consolidated, and it was during the years of N.E.P. that the modern form of party apparatus grew up. It was no longer necessary after 1953 to construct a party apparatus, since it already existed in a highly developed form, and Mr. Khrushchev, as its leading secretary, was soon in control of it. Whatever material concessions have been made since 1953 by the Communist leaders, they have repeatedly made it plain that they will not tolerate any kind of relaxation of the grip of the party apparatus on the whole life of the country. The constant attacks on "revisionism" which have been so noticeable since the Hun-

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garian revolt bear witness to the fact that the right of the party machine to control all institutions within the state, the state itself and all creative activity of the individual has been asserted as forcibly as before. For, on analysis, all cases of "revisionism," whether it be an attempt by a novelist to write as his instincts and not the party officials dictate, or an attempt by Imre Nagy to create a government enjoying popular support in place of one consisting of Moscow's nominees—reduce themselves to such a challenge to the Communist Party's authority.

Indeed, as will be seen later, the party apparatus has since 1953 extended and consolidated its hold over the country to a greater extent than ever before. Our familiarity today with this form of one-party dictatorship should not be allowed to obscure the fact that when it was first devised by Lenin, after the Bolsheviks seized power in 1917, it was brilliantly original. There have, of course, been autocracies and dictatorships of all kinds throughout history. But their methods of control had been to prevent for so long as they could the emergence of any kind of political institutions which might acquire independence and therefore rival the supreme authority of the dictatorship. Where they failed to do this, they failed to preserve their authority. So it was that Alexander II initiated the downfall of the autocracy when he allowed in 1864 the emergence of local self-government bodies—the *zemstva*. Nicholas II completed the process in 1905, when he was forced to allow the emergence of the Duma. For, however hampered and restricted by all kinds of arbitrary action, these bodies were real, and their reality was incompatible with centralized autocracy. So from the *zemstva* grew the liberal movement of 1905, which in turn operated through the Duma in February 1917 to bring about the downfall of the monarchy.

Lenin made no such mistakes. The institutions which he created were from the start fake institutions, in the sense that they were party-controlled, and not the freely elected bodies which they purported to be—soviets, trade-union councils, law courts and the like. This made it possible for the Party to preserve the semblance of popular democratic activity, and indeed in the course of time to destroy all memories of the real nature of free institutions, without in any way endangering executive control over all aspects of life. It is small wonder that the preservation intact of this powerful new device of control should be the first aim of those who stand to lose most by its disappearance.

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III

But if Mr. Khrushchev has thus, no less than Lenin or Stalin, striven to maintain intact the principle of party supremacy, it is clear that his methods are radically different, at any rate from Stalin's. Where Stalin ruled at best by dictation, at worst by naked terror, Khrushchev rules by persuasion, intimidation and a form of paternalistic discipline which though strict is at any rate rational. Even his severest critics will admit that he has increased the material prosperity and strength of his country to an unexpected degree. He has introduced more rational methods of administration and released new forces of discovery, initiative and pride of achievement, forces which Stalin had almost stifled. The question is often posed whether Mr. Khrushchev's policy is the result of internal pressures which he cannot resist or of a genuine desire to make his country great and prosperous. It is really irrelevant, however, since political motives are seldom unmixed. The question with which we are concerned is that of the developments which have taken place in his instrument of rule, the Communist Party, since obviously an instrument designed for rule by terror is not suited to rule by persuasion.

The Party remains as strictly disciplined and as centralized as before. True, the central apparatus, the Secretariat, has adapted its pattern to correspond to the increased functions of the republican governments, by splitting its main departments into two—one for the Union as a whole, one for the union republics. But this in no way impairs the supreme authority of the First Secretary and his powerful subordinates. Again, whatever new freedom to speak his mind may have been cautiously asserted by the ordinary citizen, few signs of real democracy are discernible in the Party. Except very occasionally, and at the very lowest levels of the party hierarchy, officials and delegates are still obediently elected in accordance with the instructions sent down from above. Party organs now meet regularly, as laid down in the rules. But again, except at the lowest levels (sometimes with serious consequences to the bolder spirits) the evidence does not suggest that these meetings are centers of real discussion. For example, the verbatim account of a plenary meeting of the Central Committee in December 1958 follows the pattern long made familiar by party congresses: a statement of policy by the leaders, and approval of the policy by the less exalted. It is possible that freer debate takes

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place in less formal and unpublicized meetings—in the Praesidium, for example. But here again, since his victory over the "anti-party group" in June 1957, Mr. Khrushchev and seven (originally nine) of his subordinate secretaries make up a safe majority of the votes. Policy-making and administration are thus conveniently fused.

Yet in three respects at least the Party has undergone change. First, it has become more representative. Its growth to eight million in 1959 marked an increase of a million members (and candidates) for the period since 1956, as contrasted with a growth of only one-third of a million for the longer period of 1952–6. Some of the nationalities, long under-represented, are now more fairly treated, and more manual workers are being admitted than hitherto. In the higher ranks of the Party the younger generation of members, who form the great majority of the Party as a whole, is better represented than it was. Members who had joined since 1946 formed 21 percent of delegates to the Twenty-first Congress in 1959, as compared with 13.3 percent at the Twentieth Congress in 1956. Older members are now pensioned off, and younger members are more frequently selected for rapid promotion.

Secondly, the Party has extended its administrative network into spheres where it formerly could not penetrate successfully. This is particularly evident in the case of agriculture. As late as 1952 there were no primary party organizations in nearly one-fifth of the collective farms, and where they existed they were very weak. All this has progressively improved: all farms now boast adequate party organizations, in some cases even elaborate two-tier organizations. It is perhaps this, more than any other factor, that has made Mr. Khrushchev feel that it is safe to allow much greater initiative than ever before to the individual farms—always, of course, under close party supervision and control. Under Stalin, when such party control on the spot was impossible, agriculture was stifled under a maze of conflicting bureaucratic and police controls, all emanating from Moscow.

The third and perhaps most important development in the Party as a whole is a fresh attempt to solve a problem which is perennial in the Soviet system of government, and which arises from the dual nature of party and state—in other words, from the fact that there have evolved two networks of control, the normal state network which is broadly supposed to do the job, and the completely parallel network of full-time party officials

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who are broadly supposed to see to it that the job is done. The administrative inconveniences of the system are obvious: they caused perpetual friction under Stalin, and under Mr. Khrushchev the problem is far from solved as yet—if indeed it is capable of solution. But he has at any rate shown that he is alive to it. One method has been to ensure that party functionaries should receive appropriate technical training, no doubt to make their control over their expert colleagues a little less galling. This is, however, only a small palliative. Much more ingenious has been the attempt to effect a demarcation of function between the two machines. For example, the industrial reorganization of 1957 rests squarely upon the principle that, while very real and extensive powers of decision can be left to the Councils of National Economy within their areas, the territorial party network, which always remains completely centralized, will ensure (mainly through the secretaries at the regional level) that the national interest is not dissipated by parochial enthusiasm. Similarly, the abolition of some U.S.S.R. ministries, such as the Ministry of Justice, and most recently the Ministry of the Interior, which in a federal state without the benefit of a one-party system would cause chaos, is presumably considered possible in the U.S.S.R. because the central party apparatus in Moscow can ensure adequate national coördination through its all-embracing departments. Most significant of all has been the recent move towards the replacement of some state organs by what are euphemistically referred to as "voluntary public organizations," but which are in fact all under strict party control. In the language of Marxism this has been described by Mr. Khrushchev as "the withering away of the state" as Communism approaches. It has perhaps very little to do with Marx. But it enhances the role of the Party and has the administrative advantage of reducing the much overgrown bureaucratic apparatus by eliminating some kinds of dual control.

The argument is frequently advanced that the greater prosperity, well-being and confidence of the Soviet Union and its population must in time lead to greater political freedom. This seems to me to be based on a misapprehension as to the nature of a free society. A free society is one which believes that its course of action must emerge from a free clash of opinions within the state, and which for that purpose encourages or tolerates free and uncontrolled institutions. The Soviet Union, on the contrary,

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uses every endeavor to prevent the emergence of any institution which is free in the sense that it is not controlled by the Party—none has emerged in the past six years. The reason is plain. The Soviet leaders believe that the true course of action must be determined "scientifically"—or, in practice, by the leader or leaders who may be in power for the time being. This view has been consistently held since Lenin first threw Russian social democracy into confusion by proclaiming that social consciousness cannot be developed by the workers themselves but must be brought to them "from the outside." So long as this view persists—and there is nothing to indicate that it has been shaken so far as the present leaders are concerned—the road will remain closed to free government in any real sense of the word. It was in order to prevent the emergence of free institutions that the whole Leninist system of party rule was devised and has hitherto been preserved. On present indications, it should last at any rate as long as Mr. Khrushchev remains at the helm. Precisely because it is more broadly based, more rational and more extensive, his rule is the more durable. For it is essentially a relatively benevolent despotism, and benevolent despotism is the most lasting kind. It was Diderot who, after a visit to Russia in 1773–4, urged upon the Empress Catherine the need for some form of representative institutions, arguing that a just and benevolent despotism was the worst fate that could befall a nation, since even more than tyranny it deprived men of their will for freedom.

IV

The trend of the past few years in the Soviet Union has therefore been in the direction of benevolent despotism rather than towards a free society. The basic principle of party leadership, the morbid suspicion of any public or private activity which the ruling power cannot control through its party tentacles, and the initiation of policy by direction from above all remain as before. Neither increased prosperity nor industrial development is likely to affect this pattern, so long as the party stranglehold is preserved. At best they will tend to make the system more acceptable, and therefore more durable: with more at stake in the material sense, the ordinary citizen will become ever more reluctant to disturb or endanger a régime which could be a great deal worse; and he will be more easily disciplined by the modern sanctions of loss of promotion, loss of employment or social ostracism,

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which a state enjoying a monopoly of all employment can so easily wield. Long tradition of despotic government in Russia will make the Soviet citizen more than ever inclined to take refuge in the customary Russian "inner immigration," while outwardly conforming to a government that he cannot dream of controlling or even influencing.

However, there are several factors which may suggest a more optimistic conclusion so far as the future of liberty in the Soviet Union is concerned. First there is the possibility of evolution within the Party itself or, more specifically, within the professional apparatus of the Party, which is its only influential section. The men in power at the top are today, with unimportant exceptions, in their fifties or older. They are men reared in Stalin's school: if they do not all actively bear the guilt of supporting him in his ruthless policy, they at least benefited from it by stepping into their liquidated comrades' shoes. It is unlikely that such men will break with the hallowed tradition of party control as devised by Lenin, on which alone their authority depends. But pressing hard upon them are younger men in their middle thirties, the rulers of the future. These men have no complicity with or responsibility for Stalin. They have come to maturity fighting for their country and rebuilding the ravages caused by both Hitler and Stalin. To all who have observed them, their confidence and comparative flexibility contrast strikingly with the dogmatic rigidity of mind of most of their elders. Marx, Lenin and the revolution are mere legends to them; they are primarily practical men of action. The possibility therefore exists that when they come to power they will break with the tradition of Lenin's form of party rule, and see it in its true light—as a method devised to enable a minority to seize and hold power in a ravaged and relatively backward country. They may then turn to new forms of rule in which some degree of real liberty may play a part.

The second factor is the awakening of some semblance of public opinion. It seems as yet to be at best a negative force, one which operates to some extent to restrain or soften the government's instinct to use its power ruthlessly. The new rulers now seek to persuade influential segments of the power apparatus; and this implies tolerating, within the limits of the Party, some discussion, if not of ends, at least of means. This embryo public opinion is not yet a positive force in the sense that it can of its own initiative promote government policy, nor yet in the sense that it

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is conscious of its own power. But confidence grows with time and experience. The iron curtain of Stalin's day is no more, and, for all the limitations on free information that the Party can and does impose, more contact with the outer world exists today and more knowledge of facts and ideas concealed from him are available to many a Russian than at any time since the early 1930s. Here again is a potential force—it is no more than that—which may yet transform Soviet society.

Thirdly, there may exist in politics, as in aviation, a point of no return. Mr. Khrushchev's rule has been maintained by claims of more legality, more rationality, a break with the shameful past, and respect for the individual. It may not be so easy for him to reverse this policy, should he ever be prompted to do so for fear that the situation was getting out of hand. If so, circumstances could arise in which he, or his successor, might be forced at the end of a series of concessions to yield more control than he intended, even to the extent of endangering the crucial party monopoly of power.

But all these considerations belong to the future. Today they are, at most, discernible possibilities. They do not as yet affect the question posed at the outset, whether Russia has changed, except in the sense that the mere fact that such possibilities can be envisaged shows how far the Soviet Union has traveled since 1953.

The problem which now faces the Western powers is how to interpret this situation in terms of its impact on Russian foreign policy. All the factors enumerated above, if they should ever come into play, are more likely, at all events at first, to affect the internal situation rather than the conduct of foreign affairs. It is generally the case that public opinion is more slow to develop in matters of foreign policy than in internal questions, and there is no reason to suppose that the Soviet Union is an exception. Again, as Mr. Khrushchev quickly realized in 1953, there is a limit to the extent to which even a totalitarian state can continue to hoodwink its population over internal conditions, as Stalin tried to do. But with foreign policy the element of national pride comes into play: peoples of all countries, not least the Soviet people, will very readily be persuaded that in disputes with foreign countries their own government is in the right. Territorial expansion, a succession of diplomatic successes, repeated discomfiture or failure of the Western powers, the growing international prestige of

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the Soviet leader—such is the catalogue of achievements in the foreign field in the past years as it must appear to the Soviet observer. There is no reason to suppose that any of this is unpopular.

Above all, one must recall the enormous advantage which a dictator enjoys in the conduct of foreign policy, as compared to the statesman in a democracy who has to account to a free legislature, a free press and a free public opinion. The dictator—and especially one like Mr. Khrushchev who, since 1957, probably need not fear criticism even within the Praesidium—can freely transform his foreign policy into political warfare. He can create international crises at will; he can accuse his opponents of doing what he has been doing himself for years; he can manœuvre for diplomatic discussions, not with any intention of resolving tension which he has usually himself created, but in order to score a political victory; he can talk with governments while directing his gaze to the free public opinion of the countries which he desires to hoodwink. What can a democratic country do against such advantages? And is it likely or conceivable that Mr. Khrushchev is prepared to abandon these advantages at a time when he perhaps stands to gain more from them than ever before?

V

The conclusion therefore emerges that, despite all the important developments which have taken place in the Soviet Union since 1953, there has been no basic change. At home the supremacy of party rule remains not only unchallenged but, by reason of its broader base and greater benevolence, more firmly established than ever before; abroad, the conduct of foreign policy remains a bold game of political warfare, aimed not at compromise, agreement, equilibrium and relaxation of tension, but at gaining, more skilfully than ever before, a succession of points on the long road to "world Communism." Both sides in the conflict may be presumed to recognize that the threat of mutual destruction implicit in modern war has revolutionized traditional international relations. This inevitably drives us on to hope against hope that a solution may be found in endless parleying.

It might be said that ideally the Western powers should retort in kind. This means that they should adopt the Soviet technique and go to the conference table with no intention of allowing discussions to end in an agreement—except on their own terms—

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but in order to score a political warfare victory. In such case, their diplomatic moves in the full glare of publicity would, like those of Russia, be aimed not at compromise but at weakening the standing of their adversary. Their speeches would be directed not to their fellow statesmen, but to the audience outside—the neutrals, and the dissatisfied behind the iron curtain. Their offers, so long as there was no risk of their being accepted, could be, like many Soviet offers, grandiose and insincere. Such a policy, were it possible, might restore diplomatic initiative to the West. It is probably what the Soviet Union suspects the Western powers of doing—but in that case the Soviet leaders must be wondering why they do it so inefficiently. To anyone familiar with the working of a democratic system it is of course obvious that a government which is accountable to its public opinion cannot for long pursue such a policy of diplomatic duplicity.

The Western powers, it would seem, are therefore doomed like Sisyphus to roll the stone to the top of the summit repeatedly and with endless patience, hoping against hope that one day in some unforeseen manner it will stay put. Meanwhile, so long as fear and tension in the world are maintained, their adversaries, from their position of advantage, need only watch and wait. At best they can hope to wring new concessions, and at worst to throw the blame for the failure of discussions on the Western powers, should they hold out in defense of freedom. We are in a situation in which, if we cannot hope to gain, we can at any rate strive not to lose. For, whether we lose position or not depends not on the whims of Mr. Khrushchev or on the relative skill of his diplomacy and ours, but on certain objective factors. Among these are our military strength; our will to resist rather than surrender our freedom; our readiness if need be to sacrifice our standard of living to our will to resist; our unity; and, perhaps we should add, our gullibility.

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THE POLICY OF THE POLISH PEOPLE'S REPUBLIC

By Wladyslaw Gomulka

IN order to understand Poland's attitude toward the problems perturbing the world, it is not sufficient to know simply that we are a socialist country belonging to the great community of socialist states, a fact which per se determines the basic trends of our policy. Even though the main line of a state's policy is, broadly speaking, dictated by the specific conditions resulting from its social system, and though, within this general framework its current policy is being shaped by many internal and external factors which determine the situation of a given state, yet this does not cover all elements influencing this policy. The roots of each state's policy are embedded also in its historic past and grow out of its own specific development. This is particularly true in our case. The policy of present-day Poland, more than that of any other state, stems from the history of the Polish people, their tragic experiences in both the distant and the recent past.

Less than two centuries ago, at a time when the United States had won its independence, Poland lost hers. Three mighty and predatory powers partitioned the country and for over 140 years the Polish people were deprived of their statehood. Only the abolition of Tsarism, the victory of the socialist revolution in Russia, and the defeat of Germany and Austria opened the road to Poland's independence. The Poland of that time, however, did not draw the proper conclusions from this significant fact, which is why her independence was not based on solid foundations.

The policy of Poland between the two world wars was permeated with hostility and hatred towards the Soviet Union. This was the cause of her doom. The politically reactionary and socially egotistic classes which ruled the country placed their class interests above the national well-being. Their policy was responsible for Poland's weakness, deprived Poland of her natural allies and isolated her from other states, as became glaringly apparent in 1939. Not only did the ruling classes fail to make up for the country's economic and cultural backwardness once it had gained its independence; their 20 years of power were marked by retrogression in many respects. In 1938, Poland's industrial production

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per capita was 20 percent of the European average, as compared with 30 percent in 1913.

These were the reasons for Poland's catastrophe, in September 1939, when the Polish people for the second time lost their independence. The responsibility rests with the social classes which wielded power in the inter-war period. In 1939 Poland was easy game for Nazi Germany. The prewar rulers' guilt was the greater because their blind hatred for the Soviet Union and their fear of their own nation led them to enter into a reckless and suicidal alliance with Hitler, support the expansionist policy of the Third Reich and even join in its attack on Czechoslovakia. But the essence of the problem was not that Hitler succeeded in deluding his Polish allies. History again proved that Poland was incapable of averting catastrophe and preserving her independence when at a later stage she broke with Nazi Germany and tried to safeguard her security by an alliance with the Western powers.

The existence of an independent Poland always was plainly in the interest of the Western states. Yet even after Hitler's attack on Poland, these states, though they declared war formally on Germany, did not engage in any military operations in the defense of our country. In September 1939, isolated Poland was dying under Nazi Germany's heavy blows. She had no friends then to hurry to her aid, to save her from defeat, just as the Poland of the gentry had been without friends when she was erased from the map of Europe by the three partitioning powers.

The reasons for Poland's isolation in 1939 are generally known today. The policy of the Western powers was to direct Nazi aggression towards the east, against the Soviet Union. And the fact that this could be achieved only by sacrificing Poland was considered an unavoidable evil. Poland was to be written off, in the hope that in the final account the balance sheet would be closed on the credit side. There were errors, however, in these calculations, for before Nazi Germany attacked the Soviet Union it had already dealt some mortal blows to the Western countries.

The historic experiences of two centuries taught Polish people the bitter truth. The former Poland, whether in bondage or after she gained independence, was only a pawn on the political chessboard of Europe, serving the great powers in their political games. Until the socialist revolution in Russia, Poland could not free herself from this role. And when, thanks to this revolution, conditions were created which made it possible for Poland to dis-

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card her former role and safeguard her independent statehood, the anti-Soviet policy of the classes then ruling the country barred the way. The alliance and friendship with the Soviet Union were as necessary for Poland as air to breathe is necessary for life; and Europe needed it to create a barrier against Nazi aggression and for preservation of peace. The Polish people, drawing the correct conclusions from their tragic experiences, swept away the social and political forces which had made Poland weak and had led the way to the catastrophe in September 1939.

Their tragic experiences taught the Polish people yet another truth, fearful in its eloquence. To other states, losing a war did not mean slavery and loss of statehood as it did to Poland. The Nazi Government intended to go even further. According to plans overtly proclaimed by Nazi Germany, she not only intended to erase Poland from the map of Europe as an independent country, but our land was to become a "Lebensraum" for the Germans. The Polish people were to be evicted and were threatened with the tragic fate of the Jews—biological extermination. Occupied Poland became a virtual hell. Six million innocent people from Poland and other countries of Europe were murdered in the Nazi concentration camps at Oświęcim, Majdanek and Treblinka. The Polish nation was decimated by executions in the streets, prisons, camps and forests. One-fifth of the Polish population met death at the hands of the Nazi exterminators. Warsaw, reduced to rubble, became one vast cemetery. As much as 38 percent of our national wealth was destroyed.

Poland owes her liberation and independence to the Soviet Union and the Soviet Army, which together with the forces of the United States, Great Britain and other allies in the anti-Nazi coalition routed Nazi Germany. Moreover, it was thanks to the Soviet Union and its stand at the Yalta and Potsdam Conferences that an independent Poland was able to emerge within new and just frontiers, encompassing in their entirety the historic Polish lands from the River Bug up to the Rivers Oder and Neisse, with an access over 300 miles wide to the Baltic Sea.

Opinions are expressed in the West that Poland's present policy is dictated by her geographical situation. This is absurd. It is not geography that determines the policy of a state, but the people composing it and the social classes governing it. The fact that Poland bordered on Tsarist Russia and the former Germany was one source of her historical tragedies. But she benefits now

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from having the Soviet Union as a neighbor. Having learned from experience, Poland has chosen the road of close friendship and alliance with the Soviet Union and other socialist countries. This guarantees peace and the security of our frontiers and is an unfailing safeguard against the revanchist aspirations of the German militarists.

Having socialized the means of production, Poland is making great economic efforts to rebuild the country from wartime destruction and to eliminate the backwardness inherited from former rulers, so as to ensure a higher standard of living and culture in the shortest possible time. In the political sense, she has become a people's democracy governed by a broad coalition of progressive forces rallied round the working class party which is the leader in the construction of the socialist system.

Thus defense of peace and the consolidation of our independence, the dynamic development of the productive forces of our national economy and the construction of a just socialist system —these are the three elementary principles guiding the policy of Poland.

II

Judging by the American press, public opinion in the United States ignores the profound historical and social roots of the socialist evolution of contemporary Poland. American writers, dominated by their dislike of Communism, incline to regard the socialist line of Polish policy as a result of "external pressure from the Soviet Union" and of "dictatorship imposed by the Communists." Apparently they need to adopt this thesis to make their readers believe that "the foundations of Communist rule are crumbling" and that the Polish people dream of nothing but how to wrest their country from the alliance with the Soviet Union.

There can be, and are, differences of opinion among the Polish people as to the various concrete problems of our life. There are differences arising from various attitudes toward religious beliefs. Critical views may be and are expressed concerning certain steps taken by the central or local authorities. Some dissatisfaction may be and is voiced by people because of difficulties or shortages they may have to cope with. To the rather amusing surprise of Western correspondents who visit Poland, our citizens express opinions on such matters quite freely. But there are no differences of opinion among the overwhelming majority of Poles

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as to the fundamental principles of our People's Republic. The best proofs of this were the results of the elections to the Sejm and the people's councils held during the last few years in an atmosphere of such freedom that even unsympathetic Western reporters could not but recognize it. Socialism in Poland is growing out of Polish soil and has struck deep roots in it.

The new forms of social life initiated 15 years ago released the energy of the nation. In 1959 the value of production in Polish industry was almost seven times as high as in 1938, not to speak of the incomparably richer and more up-to-date assortment of goods produced. Polish agriculture—though still based mainly on small holdings, insufficiently equipped technically—has increased the yield per acre by 50 percent over the prewar period, even though the agricultural population decreased by one-third.

From being a country where two-thirds of the population lived from the land, Poland has become an industrial-agricultural country where almost 60 percent of the people get their livelihood outside agriculture and where the number of industrial workers has increased threefold. The national income has trebled as compared with the prewar period, and this has been accompanied (despite the great investment in economic development) by a great rise in the level of consumption and an improvement in the standard of living and the national culture. These social and economic changes have resulted, among other things, in raising the average life expectancy in Poland from 50 before the war to 65.

The gap in economic development separating Poland from the highly developed countries of Western Europe has been narrowed. We expect that at the present rate we shall catch up with them in the next 10 or 12 years in per capita production and consumption. Thus socialism has clearly proved that a socialized economy—without capitalists and big landowners, without dividends paid to foreign capitalists—develops incomparably faster and permits a just distribution of income to each according to his work.

Some Western observers, reckoning on our difficulties in agriculture, forecast that our policy of simultaneously increasing production and gradually creating socialized forms of land cultivation will not succeed among peasants. Agriculture in Poland is indeed lagging behind, both in yields per acre and labor productivity. Nor does it meet the country's needs. Only mechanization and agro-technical progress, achieved through joint efforts of the

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peasants aided by the state, can bring about a substantial increase in agricultural production and prepare for a thorough transformation of our agricultural system into one with big, modern, highly-efficient farms based on coöperative principles. We have no intention of forcing Polish peasants to do this. They can be convinced only by practical experience. It is not necessary to be a Communist to understand the necessity of merging small inefficient holdings into large farms based on modern science and technique; it is enough to be a sober, thinking American farmer who knows how to calculate.

Another subject in which Western observers take a special though less sympathetic interest is the relationship between the state and the Roman Catholic Church. They allege that the Church creates an impassable barrier to Communism or at least will undermine the existing social system.

I do not exclude the possibility that there may be Polish priests who would like to play the part of political fighters against Communism, but they are unable to find support either among the larger circles of the clergy or among the population. Complete religious tolerance exists in Poland; it is guaranteed by the state, is universally recognized and is not questioned by any honest foreign observer. In many respects freedom of religious practice, freedom of all rites and religious holidays, is wider here than in many capitalist states. Both the clergy and the faithful fully avail themselves of this freedom.

All speculations that the Polish people can be divided into believers and non-believers and set one against the other, that the Polish Roman Catholic clergy would let themselves be used for anti-state activities and call on the faithful to fight against the people's authorities, are doomed to failure. And neither the influence of the Vatican Curia nor pressure exerted on the Roman Catholic Church by other centers hostile to Poland will be of any help.

Misunderstandings of one kind or another have occurred and will no doubt occur in the future between the state and the Church. Indeed, they are unavoidable in every country which wishes to observe the principle of a strict separation of Church and state and where for long centuries the Church had a strong influence on the spiritual life and customs of the people. This is confirmed by the history of many Western countries where conflicts between the state and the Roman Catholic Church were sharper than those occurring at present in socialist Poland. Mis-

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understandings and conflicts may also occur with those Church representatives who engage in activities going beyond their pastoral duties and enter the realm of politics in conflict with the prevailing social and legal system. Such conflicts have been and will be solved with full observance of the principle of religious tolerance.

III

Poland's new position as a socialist country means that for the first time in her one-thousand-year-old history her frontiers are lasting frontiers of peace and friendship. Mutual alliance and aid link Poland with all her neighbors—the Soviet Union, Czechoslovakia and the German Democratic Republic. Her relations with them are based on unity of interests and aspirations, on equality and respect for the sovereignty of each country. The Polish nation's sense of security stems from this alliance, which grew out of the joint victory over Nazi fascism, the joint road taken in social transformation and all-round political and economic coöperation.

In the light of the inclusion of the German Federal Republic in the Atlantic Pact and the intensive rebuilding of German militarism, Poland has joined other countries threatened by that policy in a defensive alliance. The unification of the forces of the socialist countries in the framework of the Warsaw Treaty and the tremendous increase in the economic and technical potential of the socialist world now form an insurmountable barrier for those who would like to return again to policies of the "Drang nach Osten" or an "anti-Communist crusade." The Polish-Soviet alliance has also brought the Polish nation enormous advantages in the reconstruction and development of its economy, and has become an accepted principle for public opinion in Poland. Nothing disturbs the close and fraternal relations between Poland and the U.S.S.R. We are only surprised that some American newspapers and politicians spread absurdities about alleged Polish-Soviet misunderstandings and conflicts, trying to undermine by every possible means the conviction about the durability of the alliance and friendship linking our two countries. This is fault-finding for the mere sake of it—a vain Sisyphean labor.

Poland's peaceful aspirations are very closely linked with the idea of the peaceful coexistence of states irrespective of their social systems. People's Poland has always favored a relaxation

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in international tension, termination of the cold war and understanding between the East and West. We consistently uphold the principle that all controversial issues between states should be solved exclusively through negotiations and mutual agreements. Like our allies, we want the present division into military blocs to be replaced by collective security and peaceful coöperation.

We welcome the turn for the better in international relations which occurred last year, particularly as a result of Premier Khrushchev's visit to the United States and his talks with President Eisenhower. We hope that it opens the way to broader agreements which will secure peaceful coexistence, competition and coöperation between the socialist and capitalist states and exclude armed conflicts. We are convinced that the growing tendency to peaceful coexistence must finally get the upper hand, for it is a manifestation not only of the good will of the statesmen now heading the big powers but of the profound transformations which have taken place in the contemporary world. The alignment of forces is shifting decidedly in favor of those countries which exclude aggressive war from the arsenal of their foreign policy. I am thinking, first, of the development of the socialist countries and the growth of a number of sovereign states in Asia, Africa and Latin America. I have also in mind the growing influence of those people in governing circles in the West who realize that a thermonuclear war would lead to the annihilation of entire nations and unpredictable consequences for all mankind. The realization of the necessity of peaceful coexistence between all countries, irrespective of their social systems and ideology, is becoming an increasingly decisive factor in the international situation.

For these reasons we believe that the forthcoming Four Power summit meeting, which bears supreme responsibility for the fate of mankind, has every chance of bringing about an understanding on the most urgent controversial issues, such as the termination of the arms race and controlled disarmament, the final cessation of atomic and hydrogen bomb tests, a peace treaty with Germany, the problem of West Berlin, etc. The Declaration issued by the signatories to the Warsaw Treaty on February 4, 1960, is a document of good will, testifying to the unanimous and determined endeavors of the socialist countries to reach constructive peaceful solutions to controversial international problems.

The most momentous of all the subjects for discussion between

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East and West is Premier Khrushchev's proposal for general and complete disarmament, a proposal backed by the unilateral reduction in the armed forces of the U.S.S.R. Adoption of these proposals, which are of tremendous importance to mankind, would not only remove most of the controversial issues now dividing the members of the Warsaw Treaty and NATO but would also open up the possibility of appropriating gigantic material resources now being used for the production of means of destruction for meeting the peaceful needs of countries in different stages of economic development. Although implementation of the idea will still encounter many obstacles, especially where the remnants of the cold war have not yet been completely eliminated, it should lie at the foundation of all partial solutions. Poland, together with other socialist countries, will do her best to promote this idea.

It is only natural that Poland should concentrate on the main problem of European security, *i.e.* the conclusion of a peace treaty with Germany. Though 15 years have elapsed since the end of the war, Germany is one of the main danger spots in the relations between the East and West, a source of mutual distrust which poisons the international atmosphere. Poland's principal aim, like that of other socialist countries, is to create a situation in which German militarism will never again threaten the security of its neighbors and world peace. Criminal German militarism has twice been mainly responsible for world wars and, should it succeed in unleashing a third world war, it would not only bring about the collective suicide of the German nation but would also push into the abyss of annihilation hundreds of millions of people in both hemispheres. Who can reconcile himself to such monstrous prospects?

In the interests of all nations, therefore, German militarism should be bridled and liquidated. The Nazi régime in Germany was not abolished by the Germans themselves; it was smashed only by the allied armies of the anti-Nazi coalition. The powers justly decided at the Potsdam Conference to apply a number of measures which would once and for all cure Germany from racism and militarism. Unfortunately the Potsdam decisions have not been put into effect in the whole of Germany. Militarism and Nazism have not been uprooted. Only in the German Democratic Republic has this been done. Revanchist territorial claims against anybody are not heard from that country, and fascism has been exterminated there.

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The situation in the German Federal Republic is just the opposite. Hitler has gone, but the Nazis remain. They have remained in important posts in the West German state, even in the government, and are setting up mass revanchist organizations. Nazi colonels and generals command the Bundeswehr and also hold leading posts in the general staff of the Atlantic Pact.

Should anybody doubt this, the latest fascist and anti-semitic excesses in Western Germany have revealed to all what is hidden behind the screen of the ruling régime. The reappearance of the swastika on the walls of German towns has surprised many people in the West, but it was no surprise to us. It is the natural fruit of the German Federal Republic's policy, a continuation of the age-long traditions of the Prussian invaders, the "Drang nach Osten."

The policy of the German Federal Republic is characterized, above all, by three incontestable facts: First, the reconstruction of Germany's military power, the Bundeswehr, and its equipment with the most up-to-date weapons. Second, attempts to obtain a revision of the frontiers established in Europe following the defeat of German fascism, and particularly of Poland's frontiers on the Oder and Neisse Rivers. Third, endeavors to regain hegemony in Europe and to strengthen the Federal Republic's economic and military potential to the point where it could impose its policy upon the other Atlantic Pact countries. These three main trends have made the German problem the principal source of conflict in Europe and are proof that the German Federal Republic does not identify its aims with a peaceful future for the world.

The remilitarization of the German Federal Republic has been effected from the very beginning with acquiescence and even great financial, military and technical aid on the part of the Western powers, particularly the United States. It was included in the Atlantic Pact, and during the cold war certain American circles have put their stake on the Bundeswehr as the Pact's main striking force in Europe, as an argument in defense of the "policy from the position of strength." Contrary to the postwar agreements concluded by the countries of the anti-Nazi coalition, its armed forces were not only revived but freed from the restrictions imposed by the Western powers themselves. The Bundeswehr has been equipped not only with all kinds of conventional weapons but even with missiles.

The nuclear warheads of these missiles today are still under the control of the United States forces. However, representatives

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of the United States Government announce that atomic weapons and technological secrets will be put at the disposal of its allies. These statements naturally arouse alarm and distrust and cannot but strengthen vigilance in many countries, particularly in Poland. For the transfer of these most destructive weapons to the allies of the United States would as a practical matter put them at the disposal of the Bundeswehr, the army of the only country in Europe which is putting forward territorial claims against its neighbors and fostering the spirit of revenge. Only boundless naïveté can prevent one from seeing that all this increases the threat to peace. Today, when the cold war is giving place to a climate of détente, many Western statesmen try to calm public opinion by saying that the Bundeswehr forms part of the Atlantic Pact forces, and that the Pact is, as it were, a strait jacket for the West German militarists and a school of peace for Nazi generals. Such reasoning amounts to standing on one's head.

The strengthening of the West German armed forces and the putting at their disposal weapons capable of using atomic warheads cannot but enhance the importance of the Federal Republic and its position within the Atlantic Pact. There can be no doubt about it. The problem is quite clear. The greater the strength of Western Germany the greater its influence on the policy of the NATO countries. And since nobody in the world would even try to assert that Western Germany is influencing its Atlantic allies in a spirit of peace, the greater its strength the greater its possibilities of influencing its allies in a spirit of cold war, of aggravating international tension; all this would only intensify the bellicose tendencies in the policy pursued at present by the West German militarists. Modern military technology with which the Bundeswehr is to be equipped creates a genuine danger of provoking conflicts, unpredictable in their consequences.

That this is not an imaginary danger is best proved by the whole policy pursued by the West German government, which is today playing the role of the main bastion of the cold war. That government is stubbornly opposing all proposals, even most realistic ones, concerning the settlement of the German problem. Herr Adenauer even went so far as to say that he regards peaceful coexistence as an illusion. One cannot deny that he is consistent in his attitude. This is the consistency of politicians stubbornly clinging to a hopeless concept, the beginning and the end of which is the absorption of the German Democratic Republic and liquida-

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tion of the Potsdam decisions concerning Germany's frontiers, as well as the reconstruction of an aggressive, militaristic German power.

The demand for a revision of Germany's eastern frontiers is unequivocal proof of the aggressive character of the German Federal Republic. At Potsdam it was decided that the former German territories up to the Oder and the Neisse Rivers—territories wrested from Poland in the course of centuries—were to be excluded from occupational status and given to Polish administration and the German population transferred out of them. In consequence, it was obvious to everybody that confirmation of Poland's western frontier in a future peace treaty had been virtually decided upon. The German Democratic Republic recognized the present Polish-German frontier and confirmed it in the Zgorzelec Agreement of 1950.

During the last 15 years these territories have become an integral part of Poland, inhabited by 7,500,000 Poles, more than a third of them born there since these territories were recovered. Through the efforts of the entire nation, Poland has rehabilitated these lands laid waste by war, and has increased their industrial production more than one and a half times over what it was when these lands belonged to Germany. We have opened 21 university schools from which thousands of specialists in many fields have graduated. All Poles regard these territories as an inseparable part of the Polish People's Republic. The present status—the product of historical justice and of the peaceful work of the Polish people—can be questioned only by adventurers who are driving towards a new war. Yet the government of the German Federal Republic and powerful groups there are openly putting forward territorial claims against Poland and Czechoslovakia.

No serious politician in today's world can fail to realize that the revisionist claims of the German Federal Republic are nothing more than mere wishful thinking. Nobody takes seriously the statements of its leaders that they have no intention of realizing their revisionist claims by force. Common sense and the entire history of Germany belie this. All the world knows that any attempt to revise the Oder-Neisse frontier would automatically result in war. In spite of this, the United States and the majority of other members of the Atlantic Pact have so far passed over in silence the revisionist demands made in Bonn. In avoiding recognition of the irrevocable fact of the present Polish-German

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frontier they encourage only the advocates of revenge. Among Western statesmen only General de Gaulle has stated that Germany's present boundaries, including her eastern frontiers, have been settled once and for all. The same attitude is being taken by many influential politicians in the West, but so far this has not found reflections in official statements by representatives of their governments.

The general bitterness aroused among the Polish public by this ambiguous policy and by the whole practice of arming the new Wehrmacht is therefore fully justified.

One cannot eliminate international tension and at the same time tacitly approve of the aggressive plans of the West German militarists. Poland demands that the Western powers state unequivocally that the Polish-German frontier on the Oder and Neisse will be sanctioned in the future peace treaty with Germany. Poland demands this not only in her own interest but also in the interest of peace. What is at stake is no mere formality but an important political and moral act. Actually, Poland has nothing to fear as regards the security of her frontiers. They are not and will never be an object of international bargaining. The joint strength of the socialist countries constitutes sufficient might to nip in the bud any attempt at violating the territorial integrity and sovereignty of Poland, the German Democratic Republic and Czechoslovakia. In demanding that the West explicitly recognize the Oder-Neisse frontier we are motivated by our concern to extinguish the cold war and prevent the revisionist forces—which are degenerating into fascist and racist forces—from torpedoing a relaxation of tension and threatening the vital interests of countries both East and West.

The conclusion of a peace treaty with Germany would be the best evidence that all the states concerned share this attitude. At present, Germany is divided into two states, with such deep differences between them that we cannot speak seriously about their unification in the very near future. A peace treaty should therefore be concluded with both German states. While assigning to them their due sovereign rights, the treaty should at the same time reaffirm Germany's present frontiers, forbid the Germans to have atomic and other weapons of mass destruction and provide for other conditions indispensable for Germany's peaceful development. On this problem Poland shares the stand taken by the Soviet Union at the last Geneva Conference of the Foreign

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Ministers of the four powers and fully supports the draft peace treaty there submitted.

However, the Government of the German Federal Republic categorically denounces all proposals which could lead to a peace treaty, since a peace treaty would deprive it of the possibility of fanning the cold war, questioning Poland's frontiers, and resorting to other aggressive steps, besides eliminating Germany's chance of regaining domination in Europe.

The Western states have on many occasions countered proposals for concluding a German peace treaty by raising the issue of Germany's unification. In the present situation, when German militarism is increasing its potential with the help of its Western allies, unification cannot be brought about. As a matter of fact, it is not desired by the Western allies themselves, for they realize that the hegemony of an armed, united and expansionist Germany would threaten their own interests.

The conclusion of a peace treaty with the German Federal Republic and the German Democratic Republic and the settlement of the problem of West Berlin have become such urgent issues that they will be discussed at the summit meeting. Peace in Europe and in the world as a whole will gain if the Western powers denounce the stand of the German Federal Republic on these problems and consent to the final closing of the last chapter of the Second World War.

IV

Poland for years has participated in all measures designed to ease tension in international relations. She now will actively participate in the Ten Power Disarmament Conference due to start its work soon. Thanks to her peaceful policy, Poland has been elected to a number of international organizations such as the Economic and Social Council, and, as the representative of Eastern Europe, to the Security Council. It is a source of satisfaction that her election to this most important United Nations organ, achieved with the support of the majority of members, represents not only condemnation of the policy of discrimination against the socialist countries but also, undoubtedly, her growing prestige in the international arena.

Peaceful coexistence above all means trade—trade without discrimination, based on the principle of equality and mutual benefits. Even during the cold war Poland endeavored to develop

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economic exchanges with the capitalist countries, and trade with them now accounts for 35 to 40 percent of her foreign trade. At present we maintain economic relations with 136 countries and territories; our annual turnover with countries outside the socialist camp is steadily rising and last year reached nearly a billion dollars. Further development of trade with the West depends, above all, on the elimination of the remaining economic discrimination left over from the period of the cold war. The countries that open their markets to our goods will have the best prospects for a broad exchange with us.

During the last few years Poland has also developed a broader economic exchange with the United States. A useful role was played here by the American commodity credits to Poland. Credits of this type, granted with no political conditions and with due respect for the sovereignty of the country concerned, help to improve international relations and create an atmosphere of trust between countries with various social systems, thus laying the foundation for further fruitful coöperation. The attempts made from time to time in the West to treat the credits as an instrument to influence Polish policy grow from a misunderstanding and can only diminish the beneficial effects which the credits have on the practice of peaceful coexistence.

Peaceful coexistence also means cultural and scientific exchange, the exchange of information and visits. Poland has sought to develop this type of coöperation widely on principles of reciprocity. Our frontiers are open to tourists and leaders from the West. Tens of thousands of our people visit the West, and what limitations there are on this travel stem from lack of foreign currency.

In these circumstances the activities of such Western propaganda centers as "Free Europe" and the like, which in their Polish broadcasts spread falsehoods and misinformation, must arouse our categoric protest. These cold-war radio stations are operated by people from among the reactionary Polish émigrés who long ceased to represent anybody in Poland; they interfere in the internal affairs of our country, trying to belittle the achievements of the Polish people and the Polish state and stirring up hatred towards Poland's neighbors. It is no secret that "Free Europe" is financed by certain circles in the United States. Its activities are not only in discord with the principle of peaceful coexistence, but also with the elementary principles of honesty, and harm Polish-American

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relations. Poland has a right to expect that this method of propaganda will be curtailed, the more so because Polish broadcasts to the United States and other Western countries never interfere in their internal affairs and give the most objective information.

Peaceful coexistence cannot eliminate rivalry and the ideological struggle between socialism and capitalism. Both sides share this view. Not long ago Secretary Herter, in a speech before the National Foreign Trade Council, said: "We Americans welcome competition, and we are ready to join him [Khrushchev] in finding ways of making it securely peaceful. . . . The Communists repeatedly proclaim their belief in their creed and system, and its eventual triumph. We must match their expressed belief with faith in our own principles."

And indeed, we do believe that socialism is a better social system, which has raised Poland from misery and made it possible for her to develop the creative power to improve steadily her standard of living. Americans can differ about this, particularly those not familiar with capitalist Poland and present-day Poland. In their own country the capitalist system may suit them better and may seem to them a better system than ours. We cannot eliminate dispute on this subject, but it should in no way become a reason for international conflict, much less a reason for war. Dispute on the basic ideological problem can be settled only in the peaceful competition between socialism and capitalism, in the course of mankind's advancement. Those who succeed in ensuring the people a better and more justly organized life will win.

Polish-American relations have been considerably improved and normalized during the last few years. The most concrete expression of this improvement is the development of economic relations and cultural contacts. An important role has been played here by the direct contacts between Polish and American political and state leaders, in particular by the visit of Vice President Nixon to Warsaw and the visits of members of the Polish Government to the United States.

Poland is willing to maintain and develop friendly relations with the United States based on equal rights and mutual advantage, excluding interference in each other's internal affairs. However, certain circles which favor the cold war endeavor to disturb our relations. Public opinion in Poland was unpleasantly surprised last year by a number of unfriendly moves, among them the activities of the American Delegation to the United Nations

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aimed at preventing Poland's election to the Security Council, and the aggressive misleading of the public by part of the American press as to the real situation in Poland. We do not believe the American people will approve these sad remnants of a period in international relations which we hoped belonged to the past.

The world is entering a new era greatly influenced by the universal desire to remove the threat of extermination and to utilize the splendid achievements of the human mind for the good of man. Peace is today of supreme value. It can and should be preserved, irrespective of all ideological and political differences dividing the world. It must be built by all countries, whether large or small, whether more or less advanced in economic and cultural progress. It must be consolidated in multilateral and bilateral relations. We look to the future with optimism. Fifteen years ago the nations which had bathed in the blood of the World War raised the cry: "No more wars." Today we are convinced that the realization of this universal demand is nearer than ever before.

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THE BALANCE OF PAYMENTS PROBLEM

By Robert B. Anderson

IT IS a new thing for Americans to be concerned with our balance of payments. We are accustomed to thinking of ourselves as a nation with almost limitless productive resources —a nation capable of turning out goods and services sufficient for our own needs and for a sizable foreign demand, without undue monetary strain. After all, didn't World War II demonstrate that the United States, with a very small proportion of the world's population, could produce much of the material needed to win a world war, maintain high living standards at home, and afterwards provide an unprecedented amount of assistance to war-torn countries elsewhere?

All this is true. But time moves swiftly.

Our resources did in fact make it possible for us to act quickly after World War II in easing the "balance of payments" problems of others. The destruction and economic dislocation of the war had wiped out much of Western Europe's monetary reserves. Export earnings had greatly diminished. The United States recognized that the war-devastated countries had little ability to pay for imports of food, materials and equipment—the foundations on which swift and effective rehabilitation had to be built.

It was clear that capital was required in the underdeveloped areas of the world also. During the war and afterwards, people in many formerly isolated areas were brought into abrupt contact with both the institutions and the advanced technology of the West. Not only were old customs and allegiances weakened; there was an urge, stronger than any ties with the past, to achieve the conditions making for improved standards of living. For this, too, capital was needed.

It was against this background of rehabilitation needs in Western Europe and the thrust toward economic advancement elsewhere that the United States supported the International Bank for Reconstruction and Development and the International Monetary Fund, devised the Greek-Turkey aid program and the European Recovery Program, and has continued during the postwar period to participate actively in broad programs of aid and foreign loans. As a result of all of these efforts the balance of payments problems of many countries have been reduced to manage-

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able proportions; indeed, in some cases, they have been eliminated. What is new in our present situation is the realization that we now have a balance of payments problem of our own.

This recognition has been forced on us by the sudden and substantial increases in the deficits occurring in our balance of payments during 1958 and 1959. Deficits had occurred earlier. But it is the sharp recent uptrend which has caused concern—and rightly so. The events of the postwar period have made the United States dollar the major reserve currency of the world. Never before has it been so important to us and to our friends abroad that the balance of payments should be in a healthy equilibrium so that the dollar can continue to be a strong currency fully justifying the confidence of our own and other countries.

In brief, one can say that if excess drawings on reserves are to be avoided over a period of time, total outpayments must equal total inpayments (both on current and capital account). In this respect, there is a certain analogy between the situation of a nation and of a region within a nation or of an individual. Mr. Micawber, in one of his more reflective moods, remarked that a person who persistently ran a deficit in his monetary affairs was doomed to misery. Not dissimilarly, a community which does not currently "earn its way" in transactions with the rest of the country will soon feel the adverse effects of the deficit in its balance of payments. Both the individual and the community can borrow to offset the deficit in their current account, and this is constructive if the borrowed funds are wisely used, and it can continue for a long time. But neither can expect for very long to solve the problem of deficit by borrowing for consumption or by using up reserves. However, it is not wise to push these analogies very far, because there are two important differences between the balance of payments of an individual or a part of a nation, and of the nation itself. These differences are the separate monetary systems of nations and the problem of transferring funds from one country to another to which this gives rise.

The mechanism of adjustments by which a balance of payments tends toward equilibrium is a complex subject on which many books have been written. But before turning to an examination of the United States balance of payments, it may be useful to summarize some general conclusions:

(1) Large deficits or surpluses in the balance of payments should not persist.

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(2) The reason for this is that large one-way movements of gold or large increases in foreign short-term holdings of a given currency will not continue indefinitely.

(3) While there is a tendency toward equilibrium in the balance of payments, the rapidity and effectiveness with which a country moves from unbalance back to balance varies from case to case.

(4) Over a period of time, net movement of capital into or out of a country is made possible by appropriate shifts in the current account of the balance of payments. The ways and means of bringing about these shifts comprise the balance of payments "problem."

(5) There need not—and generally will not—be a balance in any single year; that is, some movement of short-term funds or gold is normal. But how much movement is normal and sustainable and how much is abnormal and unsustainable cannot be laid down by rule.

II

Let us now examine the balance of payments of the United States.

Table I gives a summary of our balance of payments since 1946; and Table II gives greater detail for the years since 1950. In the 14 years shown in Table I, the total payments of the United States increased greatly, from about $13 billion in 1946 to more than $28 billion in 1959. The current account was in surplus every year before 1959, but there were wide fluctuations in the surplus; and in 1959 there was a small deficit for the first time since World War II.

Notwithstanding the surpluses on current account, there was an over-all deficit (as measured by recorded foreign gains of gold and liquid dollar balances in transactions with the United States) beginning in 1949 and running every year since then except in 1957. This deficit averaged $1.3 billion, 1950–57, and was $3.4 billion in 1958 and about $3.7 billion in 1959.

In every year shown in Table II, total United States payments exceeded total receipts. Consequently, in every year except 1957 (when the balance of payments and receipts was very close), foreigners increased their gold and liquid dollar assets. In six of the ten years foreigners gained both gold and dollars. In three years the United States gained gold, but foreigners' gains in dol-

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lars exceeded U. S. gold gains. In 1957 alone, U. S. gains in gold exceeded increases in foreign dollar holdings.

How does it happen that the United States has had a current account surplus year after year and still has an over-all deficit in the balance of payments? Table II supplies the answer.

TABLE I. UNITED STATES BALANCE OF PAYMENTS, 1946–59[1]
(In billions of dollars)

	Total U.S. Payments[2]	*Foreign Payments in U.S.*[2]	*Net U.S. Receipts on Unrecorded Transactions (errors & omissions)*	*Recorded Gold & Liquid Dollar Gains by Foreigners*	*Current Account—Goods and Services*		
					U. S. Exports	*U.S. Imports*[3]	*Balance*
1946	13.3[4]	14.4	0.2	– 1.3[4]	14.7	7.0	7.7
1947	18.8[4]	19.6	0.9	– 1.8[4]	19.7	8.2	11.5
1948	16.8	16.6	1.2	– 1.0	16.8	10.3	6.4
1949	16.5	16.0	0.8	– 0.2	15.9	9.7	6.1
1950	17.5	14.0	[5]	3.6	13.9	12.1	1.8
1951	19.9	19.0	0.5	0.3	18.9	15.1	3.7
1952	19.8	18.2	0.5	1.1	18.1	15.8	2.3
1953	19.7	17.3	0.3	2.1	17.1	16.6	0.4
1954	19.9	18.2	0.2	1.5	17.9	16.1	1.9
1955	21.9	20.3	0.4	1.1	20.0	17.9	2.1
1956	25.8	24.2	0.6	1.0	23.7	19.8	3.9
1957	27.4	27.1	0.7	– 0.5	26.7	20.9	5.8
1958	27.1	23.2	0.4	3.4	23.2	21.0	2.2
1959 (est.)	28.5[6]	23.9	0.9	3.7	23.4	23.5	– 0.1

Source: U.S. Department of Commerce. (Detailed figures may not add to totals because of rounding.)

[1] Excludes grant-financed U.S. military supplies and services.
[2] Public and private U.S. capital outflow and remittances are entered net in U.S. payments; foreign payments in United States include foreign long-term investment here.
[3] Includes military expenditures shown separately in Table II.
[4] Includes subscriptions to the International Monetary Fund and the International Bank amounting to $0.3 billion in 1946 and $3.1 billion in 1947.
[5] Less than $50 million.
[6] Excludes $1,375 million subscription to International Monetary Fund.

First, the net outflow of United States private capital was large throughout the period, and in 1956–58 averaged $3 billion. In 1959 it decreased to $2.3 billion. Second, United States Government non-military loans and grants (minus repayments) averaged $2.5 billion during the 10 years, and would have been close to that level in 1959 except for some exceptional repayments received. Third, the surplus of exports of goods and services over imports of goods and services fell short of covering these capital outflows. As Table II indicates, we normally include in imports of goods and services not only merchandise brought into the United States

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and payments for services performed for us here by foreigners, but also various payments abroad such as our tourist expenditures and our military expenditures in various countries for services and goods used to support our troops stationed there. These military expenditures were determined by national defense considerations rather than by economic forces of demand and supply; they increased steadily from $576 million in 1950 and exceeded $3 billion a year in 1957–59.

If we add together military expenditures abroad, net private capital outflows and net Government non-military loans and grants, we find that they averaged $6.3 billion in the years 1950–57. They amounted to almost $9 billion in 1958. They were greater than the excess of United States exports of goods and services over imports of goods and services (excluding from our imports in this calculation our military expenditures abroad). In 1959, although they were smaller ($7.5 billion) because of special debt prepayments to the United States Government and the reduction of private capital outflow, they still exceeded the export surplus which dropped sharply for the second consecutive year. Consequently, foreigners again greatly increased their holdings of liquid dollars although they converted a smaller portion of these dollars into gold in 1959.

III

Two principal facts emerge concerning the balance of payments of the United States. We have been running an over-all deficit for ten years and it has become relatively large in the last two years. This over-all deficit results from a net outflow of public and private capital larger than the surplus on current account—and it should be kept in mind that military expenditures abroad are included in the current account.

But after these facts are established, we still have the question of why there is currently a "problem" connected with our balance of payments. After all, the economy of the United States is very large, the gross national product is currently running around $500 billion per year, and our total merchandise exports are little more than 3 percent of G.N.P. Why need we be concerned about so small a segment of our total economic activity?

Or can it not be argued that, with a gold reserve of more than $19 billion, and with foreigners continuing to show a willingness to hold increasing amounts of dollar deposits, even a relatively

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TABLE II. UNITED STATES BALANCE OF PAYMENTS, 1950–59[1]

(In millions of dollars)

	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959[2]
U.S. PAYMENTS, TOTAL	17,526	19,858	19,843	19,685	19,876	21,944	25,846	27,374	27,079	28,500[3]
Imports	12,098	15,142	15,760	16,644	16,088	17,937	19,829	20,923	20,951	23,500
Merchandise	9,108	11,202	10,838	10,990	10,354	11,527	12,804	13,291	12,946	15,300
Services	2,414	2,670	2,965	3,119	3,131	3,587	4,070	4,467	4,589	5,000
Military expend. abroad	576	1,270	1,957	2,535	2,603	2,823	2,955	3,165	3,416	3,200
Remit. & pensions	523	457	545	617	615	585	665	702	707	800
Private capital (net)	1,265	1,068	1,158	369	1,619	1,211	2,990	3,175	2,844	2,300
Direct	621	528	850	721	664	779	1,859	2,058	1,094	n.a.
Other long-term	495	437	214	−185	320	241	603	859	1,444	n.a.
Short-term	149	103	94	−167	635	191	528	258	306	n.a.
Government loans[4]	156	156	420	218	− 93	310	629	958	966	1,900[3]
Long-term	414	458	847	716	306	383	545	993	1,272	
Repayments	−295	−305	−429	−487	−507	−416	−479	−659	−647	
Short-term (net)	37	3	2	− 11	108	343	563	624	341	
Government grants (net)	3,484	3,035	1,960	1,837	1,647	1,901	1,733	1,616	1,611	
U.S. RECEIPTS, TOTAL	13,954	19,045	18,246	17,287	18,193	20,349	24,235	27,094	23,223	23,900
Exports	13,901	18,863	18,105	17,081	17,949	20,003	23,705	26,733	23,199	23,400
Merchandise	10,117	14,123	13,319	12,281	12,799	14,280	17,379	19,390	16,227	16,200
Services[5]	3,784	4,740	4,786	4,800	5,150	5,723	6,326	7,343	6,972	7,200
Foreign long-term Investment in U.S.	53	182	141	206	244	346	530	361	24	500
Errors and Omissions	−30	470	505	296	167	446	643	748	441	900
Increase in Foreign Gold and Liquid Dollar Assets	3,602	343	1,092	2,102	1,516	1,149	968	−468	3,415	3,700[3]
Gold	1,743	− 53	−379	1,161	298	41	−306	−798	2,275	700
Dollars	1,859	396	1,471	941	1,218	1,108	1,274	330	1,140	3,000

Source: U.S. Department of Commerce. n.a. = not available.

[1] Excludes grant-financed U.S. military supplies and services.
[2] Rounded estimates.
[3] Excludes $1,375 million subscription to International Monetary Fund, of which $344 million was paid in gold.
[4] Including other capital.
[5] Including military transactions for cash and credit.

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large deficit in the balance of payments should cause no trouble?

Finally, even if it has to be concluded that the deficit was too large, wouldn't it be simple enough merely to cut back on imports or to decrease the outflow of capital and take care of the deficit in this way?

It would be comforting to reason the balance of payments problem out of existence by those arguments. Unfortunately, however, none of them can be accepted. The United States must be able to sustain an increasing amount of international payments and obligations as the years go by for several reasons.

First, merchandise imports have become increasingly essential to the United States. As our economy grows, our demand for imports will also grow. It is, of course, evident that our capacity to pay for imports is basically dependent on the foreign exchange earnings which we receive from our exports of goods and services.

Secondly, as a great power with far-flung responsibilities and with world-wide financial and economic interests, both public and private, the United States to a surprising extent must depend on a reasonable equilibrium in its balance of payments to carry out its responsibilities and to accomplish its political and economic aims. We make military expenditures abroad, we carry on private investment in foreign countries, and we extend grants and loans with public funds, not as a matter of chance and relative indifference but because these activities are important to us and to the rest of the free world. We can carry out these activities on a large and continuing scale only if we have a reasonable equilibrium in our balance of payments.

Moreover, this equilibrium should in large part be achieved through a surplus on current account of substantial size chiefly by an expansion of exports. Large and continuing outflows of gold and long-continued and substantial increase in foreign holdings of United States dollar balances cannot be relied on as the way to deal with the balance of payments deficit of the United States.

It has long been a truism of international economics that a capital-surplus country which is to transfer savings to capital-deficit areas over a period of years must do so primarily by means of a surplus in the current account. Within reasonable limits the United States can export long-term capital and solve the transfer problem by an offsetting inflow of short-term funds. This has happened since the war on a large scale as Table II shows. In fact, since 1949 foreign holdings of short-term dollar balances and

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other liquid dollar assets have increased from $6.4 billion to approximately $18 billion.

On the whole this has not been an undesirable development. Foreigners have been prepared to hold dollars, especially in view of the status of the dollar as a reserve currency and the reassurance of a large U. S. gold reserve. These dollar balances have comprised a considerable part of the foreign exchange reserves of other countries, and are an important means of economizing the gold reserves of the free world. However, at least in the intermediate term the amount of foreign liquid dollar holdings which can with confidence be maintained is not unlimited. The increase in such balances under the impact of over-all balance of payments deficits of the size of those of 1958 and 1959 would certainly threaten to reach that limit if so rapid a build-up continued much longer.

The same considerations serve as limiting factors on gold outflows. The United States gold reserve is large, exceeding $19 billion. But it should be large in order to provide a cushion against various contingencies and to secure our short-term liabilities. It seems to me that substantial changes in that reserve can be viewed with equanimity only if they are likely to be of relatively short duration and not persistently in one direction. It does not seem that the proper function of our gold reserve is to be heavily drawn down on a large scale over a period of years to transfer capital to the rest of the world.

Over-all deficits in the balance of payments of the United States in 1958 and 1959 clearly were too large to be safely sustained for very long. Moreover, the circumstances which have led to a persistent balance of payments deficit for ten years and a sharp worsening of that deficit in the past two years have certain qualities of persistence which must be given serious consideration. What seems to have occurred is a coincidence of several developments.

There has been a reëmergence of the competitive strength of the other industrial countries. This is not a surprising development. The political, economic and defense policies of the United States since the war have been aimed at this rehabilitation of the other industrial countries, most of which had suffered tremendous damage.

The success of these policies has been outstanding, and is shown in the statistics. Between 1952 and 1958 Germany's share

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of total world exports of manufactured goods increased from 12 percent to 18.6 percent, and Japan's from 3.8 percent to 6 percent; while the share of the United States declined from 26.2 percent to 23.2 percent. The United States share of *total* world exports was 17.3 percent in 1958, which is about the same as the figures for 1950, 1953 and 1955, but below the figures for 1951, 1952 and 1956, which ranged from 18.2 to 18.6 percent, and much below the peak of 19.6 percent in 1957 which was due to very special factors.

Detailed analyses have been made by the Department of Commerce of changes in our share of major world export markets. On the whole, these analyses have been encouraging because they showed that serious reductions in our share of export markets have been confined to comparatively few classes of goods, especially motor vehicles and steel. Nevertheless, the aggregate losses in these classes have been substantial and they have occurred at a time when the need is to expand our current account surplus rather than to allow that surplus to shrink.

Another development has been the continuous increase in our merchandise imports. In 1955 imports were $11.5 billion, while in 1959 they reached slightly more than $15 billion. In the same five years, exports increased by about $2 billion. As our economy grows, there is reason to expect a rising trend in imports.

Unofficial estimates for 1960 are for an increase in our exports; and while our imports are also expected to expand, the improvement in the current account will reduce the year's over-all deficit in the balance of payments below the 1958–59 level. This, of course, is all to the good. But the deficit will still be large—probably substantially larger than the 1950–57 average. Moreover, in a year of boom conditions abroad, when foreign demand for our exports should be high, it seems particularly unsatisfactory that the deficit be so large.

IV

The conclusion is quite clear: We have a balance of payments problem. The essence of it is how to bring our total international transactions into a reasonable equilibrium which will enable the United States to carry out its responsibilities in the world without provoking large and persistent gold outflows or excessive increases in foreign holdings of dollar balances. However, I do not feel we are confronted with an emergency. We have time to find a proper solution and I am confident we will.

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Our solution must be found along lines consistent with our international economic policy, which emphasizes the expansion of world trade on a multilateral basis and a continuing attack on barriers to trade. In terms both of our own economic interest and our responsibility as a leader in the free world, we must set ourselves resolutely against any temptation to solve the balance of payments problem by restrictive action. Of course, any country can tackle its balance of payments problem by deliberately cutting imports or by imposing restrictions on capital outflows. But the kind of balance which would result from such measures would be based on contraction and not expansion. It would push us back into the beggar-my-neighbor policies which were so disastrous in the great depression of the 1930s. It would mean an abdication of our role of leadership.

Within the framework of broad and established United States foreign economic policy, we must pursue our task from many sides. Our balance of payments problem is not simple in its causes and we are going to find that the solution will not be simple. I suggest that this many-sided attack can proceed along several lines.

We may expect that to some extent corrective forces are at work and will continue to be at work. Our balance of payments deficit itself results in the transfer of purchasing power to surplus countries and there will be a tendency for this increased purchasing power to have an expansionary effect on total economic activity in those countries. Some of this increased activity should be reflected in increased purchases in the United States. In addition, import competition is undoubtedly exerting an influence on product design and prices in the United States.

However, we cannot comfortably relax, hoping that "automatic" correction of our balance of payment deficit will solve the problem. We must take the actions on the domestic front which will not only help preserve the value of the dollar but let the nations of the world who have such a real interest in how well we manage our affairs know that we intend to do everything to keep the dollar stable. We must maintain sound fiscal policies with a budget surplus in times of prosperity, as the most recent budget submitted by the President proposes. We must have flexibility and freedom from artificial restrictions in the management of our debt so that the world will know that we can handle it in the least inflationary manner. Our monetary policy must be keyed to the

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containment of the strong demand for capital which otherwise might break through as a major inflationary pressure. And certainly we must do all in our power to maintain the proper relationships between wages, prices and productivity so essential to our competitiveness in world markets.

These domestic actions, coupled with a foreign exchange policy which would leave no one at home or abroad with any doubt concerning our intent or capacity to maintain the dollar as a fully convertible currency at the existing official price for gold, should bring about two good results.

Producers in the United States will be assisted in competing abroad. There has been much concern of late as to the competitive position of our goods in world markets. An examination of price and wage trends and of changes in our share of world trade (especially in manufactures) does not provide clear evidence that the United States has priced itself out of world markets. However, there are examples which can be cited on the other side; and there is ample indication of intensified competition in world markets and of increased world capacity to produce goods for export. What we can conclude is that the United States has little margin of competitive superiority. This means that we cannot risk any erosion in the stability of United States prices if American producers are to succeed in expanding their exports.

Foreigners will have no reason to lose confidence in the dollar as a reserve currency. Confidence in a currency, particularly so far as concerns persons outside of the country, is not something which is won by promises or pleas. Confidence is based on evidence and expectation that the purchasing power of the currency is—and will be—dependable.

American producers must seek foreign markets on an increasingly intensive scale if our exports are to expand to the extent called for to correct our balance of payments deficit. It will not be enough to maintain our exports at their 1959 level of about $16 billion. They should increase at least by some billions of dollars if the United States is to maintain a net outflow of capital and to make military expenditures abroad in the amounts of recent years. For some time following 1946, other countries—and especially other industrial countries—undertook export drives of great intensity, and they have shown that even in the United States market, so long thought to be a "hard nut to crack," there is great room for success. The time has come to mount our own export

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drives; no American producer who has a product susceptible of export should fail to explore the possibility of expanding foreign sales. The Government is examining the facilities available to American exporters, in comparison with those enjoyed by their foreign competitors, to determine whether or not improvement is needed, particularly in the field of export credit and export insurance. The Administration also is working to improve the fact-finding facilities of our foreign service and the services of Washington agencies in analyzing foreign trade information so as to enable more American businesses, large or small, to participate in export sales.

But we cannot rely solely on government action to increase our exports on the substantial scale which is going to be needed. This requires the united effort of all American industry, labor and agriculture—the whole American economy.

V

Developments in the other industrial countries may help us in our task. Europe is in the middle of a very substantial boom and some of this surge of economic activity is likely to be reflected in the demand for American goods. Moreover, in Europe and in other parts of the world we can expect that during 1960 most of the task of dismantling discrimination against American goods will be completed. The timing of this action is fortunate, because it coincides with our own need to leave no opportunity lost to expand our export business.

At the annual meeting of the International Monetary Fund in Washington in September 1959, I suggested the need to look at the world payments situation as a whole and not exclusively at the balance of payments of the United States.

In 1958 and 1959 (basing the latter on figures for the first nine months at an annual rate) acquisition of gold and liquid dollars by Western Europe was roughly $3\frac{3}{4}$ billion in each year.[1] For the two years taken together, about half of this amount was obtained through direct transactions with the United States. For the same period, Canada lost gold and dollars in transactions with the United States, but more than offset this by gains in transactions with other areas. The rest of the world was in balance in 1958, when large receipts from the United States were offset by pay-

[1] The figure is adjusted to exclude transactions between I.M.F. and member countries in gold and dollars.

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ments to Western Europe and Canada. But it gained heavily in 1959 when net receipts from the United States exceeded losses to Western Europe and Canada by over $800 million. This net gain in 1959 for the rest of the world in considerable part reflects the gain of over $450 million by Japan.

This broad picture of the structure of world payments indicates to thinking persons that two developments seem necessary if the United States is to eliminate its own deficit through an enlargement of exports. First, in the long run there should be a more than cyclical expansion in the imports of Western Europe both from the United States and from the rest of the world, particularly by the countries grouped in the Common Market. Second, there should be an enhanced flow of capital from the European industrial areas to the less developed areas.

VI

It is my firm conclusion that we can bring our balance of payments into reasonable equilibrium. But the task is formidable.

Competition in world markets is sharp and there is no reason to assume that it will become milder. The manufacturers in the other industrial countries have reached the point in their technological advance where they are at little if any disadvantage in competing with the best which American technology can offer. It will require good will on an international scale, persistent and sober efforts by governments, and enlightened as well as energetic action by business and labor to bring about, over time, a better balance in the world's payments system.

The recent change in the Development Loan Fund policy, putting primary emphasis on financing the procurement of United States capital goods, should be interpreted in the light of the need to move on many fronts in seeking to bring our balance of payments into reasonable equilibrium. I would certainly oppose any limitations on the freedom of United States private capital to go abroad or for our capital market to extend credits to foreign borrowers under terms which seem reasonable to lender and borrower. When a foreign borrower approaches private lenders in the United States he should not be told that the proceeds of any loan would have to be spent on United States goods. However, the United States, through the Development Loan Fund, makes public funds available on long term to underdeveloped countries on a basis unequaled by any other industrial country. The terms offered by

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the D.L.F., including repayment in local currency, represent very substantial and generous United States public assistance. It is important, for the reasons put forth throughout this discussion, for the United States to continue to be in a position to provide capital on a large scale to underdeveloped countries. I have also made clear that we can do so as a practical matter only if we solve our balance of payments problem.

Moreover, other industrial countries also are recognizing the importance of their providing increased amounts of public financing on a long-term basis to underdeveloped areas. They are now in position to do this and may be encouraged in this direction by the realization that D.L.F. dollars are not generally available for financing portions of their exports to underdeveloped countries. In like manner, they may be encouraged to give long-term loans for capital export items which heretofore, in some cases, have been financed with short-term credits that are more appropriate to the financing of consumer items.

I have made the point that we must achieve a reasonable equilibrium in our balance of payments, and must do so in a constructive way, not only for reasons of self-interest but because of the broad and vital requirements imposed on us by the role of leadership which we have assumed and which we must fulfill. The United States finds itself in an international financial position which is at least as much the consequence of the long course of world development as it is of our deliberate choice. We have become the leading reserve banker in the free world and the dollar has become the principal reserve currency. Moreover, we and the countries associated with us are committed to the progressive and sound expansion of production and world trade.

The conclusions to be drawn are clear and evident. There is a discipline from which we cannot escape. It is our continuing task to maintain the purchasing power of our currency and to merit unfaltering world confidence in the dollar. Our fiscal and monetary policies, our approach to the question of the proper relationship between wages, prices and productivity, and the consequent competitive vigor of our industry and agriculture are all essential components of the solution to our balance of payments problem. In that solution the other countries of the free world have a stake scarcely less vital than our own. I am confident that with prudence and understanding the right solutions will be found.

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STRATEGY FOR THE DOLLAR

By Richard N. Gardner

THE most important new influence on American policy to emerge during the past year came from the most unexpected quarter. For more than a decade we had been worrying about the "dollar shortage"—the supposedly persistent tendency of the United States to run a surplus in its balance of payments. But some time last summer we woke up to the startling fact that the United States was running a large payments deficit.

During the years 1958 and 1959 the excess of our foreign payments over receipts totalled some $7 billion. This deficit was financed by a $4 billion increase in foreign holdings of dollars and a $3 billion reduction in the United States stock of gold. As these lines are written, we continue to run a deficit, though at a somewhat reduced rate, and later this year foreign holdings of dollars will surpass our holdings of gold for the first time in American history.

There is no question about the ability of the United States to close the deficit in its balance of payments. We could strike a balance by drastically curtailing foreign military spending and economic aid, restricting our imports and our private foreign investment, or painfully deflating our domestic economy. But these measures would solve our balance of payments problem at the cost of our security and prosperity and that of the entire free world.

The real question is not whether we can reduce our deficit but how much we ought to reduce it and how we can make this reduction without sacrificing policies which are vital for the achievement of our national aims.

In the first excited reaction to the turnabout in our payments position we seemed in some danger of upsetting vital foreign policy programs. The Administration started to "tie" our foreign aid spending to purchases in the United States. It was reported to be contemplating a drastic reduction in our military establishment abroad and deep cuts in aid to less developed countries. It was under heavy pressure to modify its moderately liberal trade policy. Except for the decision to put a "Buy American" label on Development Loan Fund spending, however, we weathered the

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first winter of concern with the payments deficit without overturning any important elements in our present foreign policy.

The threat to existing policies will recur, of course, if we fail to reduce the deficit below the high level of 1958–1959. But this is not the only danger. Preoccupation with our payments deficit may smother new and creative policies now struggling to be born. To promote our national objectives in the decade of the 1960s we shall need bold programs to reduce our import restrictions and increase our aid to less developed countries. Such programs are unlikely to be adopted if we continue to run large payments deficits.

II

Much of the discussion about our payments deficit has assumed that our national interest would be served by eliminating it as soon as possible. Unfortunately, the problem is not so simple. The payments question has to be looked at not solely from the U. S. viewpoint but from the viewpoint of the free world as a whole.

In order to have an expanding free-world economy, monetary reserves must grow at about the same rate as international trade. In the 1950s, the free world's gold supply grew only one-third as rapidly as free-world trade. The rest of the reserve needs of the free world outside the United States were met from the deficit in the U. S. balance of payments. During the decade as a whole we fed $14 billion in reserves to the rest of the world, $4 billion in the form of gold, $10 billion in the form of increased foreign holdings of dollars. The dollar thus became the world's principal reserve currency. Without this supplement to liquidity the substantial economic achievements of the 1950s would never have taken place.

It would be unwise for the United States to seek to solve the liquidity problem all alone during the next decade by running deficits of the present size. Such large and recurring deficits could eventually destroy foreign confidence in the dollar and trigger a massive conversion of dollars into gold. This would force us to trim our foreign payments drastically through restrictive measures destructive of free-world security and growth. Yet if we eliminate our deficit entirely, or convert it into a surplus, we leave the free world short of reserves it desperately needs. The answer to this dilemma will not be found in the International Monetary Fund in its present form, since the national quotas are not large

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enough to cover future liquidity requirements and are not regarded by member countries, in any event, as reserves. In the years ahead, therefore, we shall have to find some new multilateral solution to the liquidity problem. Whether the answer lies in converting the Fund into a world central bank as proposed by Dr. Robert Triffin, or in some other institutional innovation, is beyond the scope of this article.

It may take several years to find a generally acceptable multilateral solution to the free world's liquidity problem. What do we do in the meantime? Probably the best compromise is for the United States to aim at very moderate deficits in the years ahead, deficits on the average of about $1–1.5 billion a year. This would feed the free-world's reserves much less rapidly than we have done during the last two years, but about as rapidly as we did during the1950s as a whole.

Annual average deficits of $1–1.5 billion would not impose an intolerable strain on the United States. Various measures are suggested later which could minimize the risks involved and insure that the deficits were financed mainly through the accumulation of foreign dollar holdings rather than withdrawals of gold. Although it may not serve the interests of private holders to accumulate dollar balances at interest rates low enough to support our domestic economic expansion, the foreign governments and central banks which are the only holders in a position to demand gold and start a "run on the dollar" must act on larger economic and political considerations. They have every reason to agree to small annual increases in their dollar balances, especially since there is no immediately available alternative for increasing free-world reserves. They would go a long way to avoid weakening the very currency in which they hold a substantial portion of their reserves. Moreover, the United States, as the biggest importer and the biggest supplier of funds for free-world growth and defense, has unequalled sanctions at its disposal to induce the coöperation of the principal foreign dollar holders. These countries are not likely to take any action which would embarrass or weaken the very country on which they most depend for their prosperity and defense.

III

Just how strong is the tendency toward imbalance in U.S. payments? Will a reduction in our deficit take place as a result of

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"natural economic forces" or will a balance be increasingly difficult to achieve?

To begin with, the events of the postwar years should warn us against jumping to the conclusion that an imbalance in world payments is permanent. Only a few years ago a considerable body of expert opinion accepted as inevitable a tendency for the United States to run persistent surpluses in its accounts with the rest of the world. As late as 1957 Sir Geoffrey Crowther, former editor of *The Economist,* proudly reminded a Harvard audience that for 20 years he had preached the doctrine of "a permanent and organic shortage of dollars . . . the more time passes the more convinced do I become that I am right. . . . It is difficult to believe that there can ever have been another case of a country where the demand of the rest of the world for its products was so urgent and its demand for the products of the rest of the world so indifferent."[1]

Where the experts talked of "dollar shortage" a few years ago they now debate the "dollar glut." What has happened in the interim? To begin with, our definition of the problem has changed. We used to measure the imbalance in world payments in terms of our commercial surplus minus foreign investment, on the grounds that our overseas military spending was "temporary" and foreign aid was a "balancing item" to finance the surplus. Today we no longer exclude foreign aid and military spending in measuring the imbalance in world payments. Some time during the last few years we came to regard these as relatively permanent items necessary to finance the growth and defense of the free world. With this recognition the problem changed from how the rest of the world could finance our troublesome commercial surplus to how the United States could generate a sufficient commercial surplus to finance payments for free-world growth and defense. Accordingly we now measure imbalance in world trade by our payments deficit—the extent to which we lose gold and foreigners accumulate dollar balances.

This, of course, is only part of the story. The size of the U.S. deficit has increased. It was some $2 billion larger in the period 1958–59 than 1953–56. The increase in the deficit resulted almost entirely from a decline in the surplus of our merchandise exports over merchandise imports. This was due, in part, to some temporary adverse factors—lagging business recovery abroad compared

[1] "Balance and Imbalance of Payments," p. 34, 48.

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to recovery here; special circumstances hampering key exports like cotton and civilian aircraft; and the steel strike. The elimination of these temporary factors is expected to result in a substantial increase in our merchandise surplus in 1960 and a reduction in our payments deficit this year to less than $3 billion.

The drop in our commercial surplus during 1958–59 led some people to conclude that the United States has lost its ability to compete—that "we have priced ourselves out of world markets." Plausible as it seems on the surface, this theory is supported by very little evidence. Wage rates, wholesale prices and consumer prices in the United States have all increased rather less in recent years than in Britain and France and at about the same rate as in Germany, Italy and Japan. To be sure, our prices have risen more rapidly than prices elsewhere on certain commodities (some steel products, automobiles and farm products under price supports). But there is no evidence of a substantial increase of our average export prices relative to the average export prices of our principal competitors.

We are facing keener competition in world markets than a few years ago, but price changes are not primarily responsible. Thanks in large part to the Marshall Plan and our other postwar aid programs, Europe and Japan have markedly increased their capacity to produce and deliver goods at existing prices—goods of high quality and new kinds of goods in anticipation of changing consumer demands. We have also promoted competition for our exports through the establishment by American companies of branches and subsidiaries overseas.

Yet despite this encouragement of foreign competition by foreign aid and investment, our ability to compete in world markets remains fundamentally unimpaired. Recent studies by the U.S. Department of Commerce confirm that the recent drop in U.S. exports reflected difficulties—some temporary—in three or four big items and not a loss of markets all along the line.[2] Our share in world exports remained virtually unchanged between 1950 and 1958. Moreover, as of today, we have a larger share in world exports of manufactures than we had before the second World War.

Accompanying the drop in merchandise exports has been a substantial rise in merchandise imports. As in the case of exports, this increase can probably be explained less by price changes than

[2] *Foreign Commerce Weekly*, Dec. 21, 1959, p. 16–18, 21.

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by the growing capacity of our industrial competitors to deliver the goods. Probably there has also been some shift in American consumer demand in favor of imports as a result of higher income levels, greater sophistication in taste and increased tourism and business travel. Yet even in 1959 imports barely exceeded 3 percent of our gross national product—the share they have held with remarkable consistency over the last 30 years except during the war and immediate postwar period.

Even if we leave aside the temporary circumstances which made our payments balance particularly adverse in 1958 and 1959, our present payments for world growth and defense still overbalance our commercial surplus by around $3 billion a year. Our problem is to bring this deficit down to the $1–1.5 billion target outlined earlier by increasing our commercial surplus or reducing our foreign payments and doing so without impairing policies necessary for the growth and security of the United States and the entire free world.

IV

Sound domestic politics are first of all the ultimate foundation on which our new dollar diplomacy will stand or fall. If we are to finance the foreign economic and military expenditures necessary for free world growth and freedom, we must increase the size of our commercial surplus. To do this we must check the creeping inflation of our costs and prices, or insure at least that we inflate somewhat less rapidly than our main industrial competitors. Labor will have to show greater restraint in limiting demands for wage increases to increases in productivity. Moreover, our balance of payments should not be subjected to the strain of another nation-wide steel strike. This underlines the need to find better ways of settling industrial disputes in basic industries.

In the domestic field we particularly need a concert of government policies to assure a faster rate of economic growth. Unless we achieve greater average annual increases in our production we shall experience growing difficulty in providing ourselves with higher levels of consumption and basic services while at the same time financing our defense and foreign policy and paying our way in world trade. We should place much greater emphasis on investment in research and technology. Faster productivity advances will help develop large new export markets for the United States even with moderate increases in money wages.

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Sounder domestic policies should be supplemented, secondly, by a national export drive. Our exporters developed some bad habits during the sellers' market that prevailed during and after the war. We can no longer afford to take for granted foreign customers for American goods or regard foreign markets as a minor extension of the market at home. To meet stiffer foreign competition we have to develop new and better products adapted to changing foreign demands. We must sell them more aggressively, service them better, and supply them on easier credit terms.

Although the primary responsibility for staging an export comeback rests with the business community, the Government can provide some help. It should support exporters with medium-term credit facilities at least as favorable as those provided by our main competitors. It should do a better job of informing American businessmen of possibilities for foreign sales by strengthening economic and consular staffs abroad and improving advisory services at home.

The third element in our dollar diplomacy must be action to speed the removal of foreign restrictions against American goods. During the postwar years our exports have been suppressed by an elaborate network of exchange controls and import quotas, some of them expressly discriminating against the United States. Others, though non-discriminatory, severely restricted our foreign trade. The main industrial countries of Europe and Japan which have benefited from the recent redistribution in world reserves can now dispense with all or nearly all of these controls.

Some progress has been made in this direction. Britain, France, and other countries have recently announced significant liberalizations of import restrictions which will help to increase our exports in the years ahead. But much more remains to be done. We should take every opportunity in international and bilateral negotiations to press for the removal, by countries with adequate reserves, of their restrictions on American exports. In appropriate cases these countries must remove controls not merely on their imports of our goods but on their imports of services—*e.g.* tourism in the United States. Furthermore, we must go beyond the removal of direct controls and do some hard bargaining for the reduction of some of the high tariffs which confront us on many important export items. This is another strong reason for strengthening the President's presently inadequate tariff-reducing powers. Although further reciprocal tariff reduction will in-

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crease American imports as well as exports, the freeing of trade all around will enhance the efficacy of the adjustments we make to cope with stiffer international competition.

The liberalization of other countries' restrictions on imports from the United States should be accompanied, in the fourth place, by the easing of restraints on capital outflow. Even those of our industrial allies which have made progress in import liberalization have done comparatively little in this direction. With the continued improvement of their reserve position they could give greater freedom to their citizens to invest abroad. With the easing of restrictions on capital outflow a substantial amount of European long-term capital would come to the United States during the years ahead through the purchase of American securities and the establishment of productive enterprises.

Fifth, we should stop our encouragement of American investment in other than underdeveloped countries. In view of our payments deficit, indiscriminate incentives to foreign investment are a luxury we can no longer afford. We should enact the Boggs Bill providing deferral of United States income tax on the income earned abroad by a new class of American foreign business corporations, but only after amending the bill so that deferral is available only on income which is reinvested in underdeveloped countries. Moreover, we should enact a "Boggs-Bill-in-reverse" to take away the deferral privilege now available to foreign corporations in advanced countries which are owned or controlled by Americans. This would help to slow the surge of our investment in Canada and Western Europe and stimulate the backflow of profits now being accumulated in these countries.

Sixth, a greater share in aid to underdeveloped countries should be assumed by Western Europe and Japan. The increased aid efforts of our industrial allies should be channelled through new multilateral institutions such as the proposed International Development Association, now awaiting Congressional approval. The proposal of Under Secretary Douglas Dillon to expand the O.E.E.C. into an aid-coördinating institution is a further step in the right direction.

We should remember, however, that the present level of Western aid for less developed countries is still far below the level necessary to assure a rate of growth compatible with American and free-world interests. In view of this fact, a larger aid effort by Western Europe and Japan must not mean a smaller effort by the

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United States. On the contrary, the United States should probably aim at a $1–2 billion annual increase in its economic development efforts during the next decade.

An increase in economic aid efforts by foreign countries, therefore, will provide no direct saving for our balance of payments. But it may help us indirectly. If the trend toward "untied" lending by our industrial allies is allowed to continue, a considerable portion of their aid may be spent on American exports. It it unfortunate that we should have set our allies a bad example in this respect by tying the disbursements of the Development Loan Fund. Given liberal trade policies here and abroad, the United States can expect to be a major beneficiary of the expansion of foreign markets that will result from a faster pace of development in the less developed countries.

The seventh element in our dollar diplomacy should consist of new efforts to reduce foreign military spending. We cannot place the security of the free world at the mercy of our balance of payments. If certain military expenditures abroad are necessary to assure the survival of freedom in this world, we will have to find the means to finance them. At the same time, our payments problem does justify additional measures to prune unnecessary military expenditure.

We are currently spending some $3 billion annually on troops and bases overseas. By reducing some PX privileges and requiring some fraction of military pay to be banked in the United States we would serve the double purpose of reducing conspicuous consumption abroad by our troops and their dependents (a major cause of anti-American feeling) and cutting somewhat this $3 billion drain.

A large part of the $3 billion in our foreign military spending goes for the operation and maintenance of American bases in Europe. The benefits of these bases are enjoyed by our allies as well as ourselves; the costs should be shared in accordance with capacity to pay. The same observation applies to the several hundred million dollars worth of military hardware we have been shipping free of charge each year to our NATO allies. Payment for some of these supplies would mean a welcome increase in our export earnings. We shall have to move cautiously in this area to avoid political difficulties. But the difficulties involved should not deter us from beginning a collective reëxamination of out-dated formulas for sharing the burden of common defense.

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V

The seven policies outlined above should be enough to reduce the deficit to our target level of $1–1.5 billion a year. But they may take some time to work. Moreover, we may have to run larger deficits in some years to push ourselves out of future recessions and cope with other unforeseen economic, political and military contingencies. Quite apart from these problems, we must be prepared to sustain the continuing small average deficits until such time as the free world's liquidity problem is solved by a major institutional innovation. For all these reasons, we should consider resorting to four transitional measures which, while making no fundamental contribution to balancing our payments, will buy time and give us greater freedom to manœuvre. Although our reserve position is strong already, there is no reason for taking chances. We do not want to live the next few years under the lengthening shadow of a "dollar crisis."

First, we should explore the possibilities for the accelerated repayment by the European countries of loans that they have received from the United States. Still outstanding are several billion dollars in Marshall Plan loans and special postwar credits such as our 1946 loan to Britain. Acceleration of loan repayment by mutual agreement would mean interest savings for the foreign governments and substantial reductions in our payments deficit. Some prepayment has already taken place on an *ad hoc* basis. Now we might reach agreements with particular countries for further prepayment in the event that they accumulate a substantial additional amount of reserves at the expense of the United States.

Second, we could guarantee the gold value of the dollar balances held by foreign governments. This would encourage the four or five countries principally concerned to settle their surpluses with us by accumulating interest-bearing dollar claims rather than running down our gold supply. Although gold clauses in private contracts are no longer enforceable in American courts, an internationally binding gold guarantee could be given by the United States Government. Since devaluation of the dollar is in any case an inappropriate remedy for our balance of payments difficulties, we would only be committing ourselves to avoid doing what we do not wish to do anyway.

Third, we could eliminate, or at least reduce, our gold reserve requirement. Under present law, the Federal Reserve Banks must hold gold certificates equal to 25 percent of their note and deposit

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liabilities. This has no effect on our monetary policy. But it ties up $12 billion of our gold stock, leaving only $7 billion free for use in foreign trade. Modification of the requirement would have no adverse domestic effects and would provide massive additional support for the dollar's international position.

Fourth, we could make use of the International Monetary Fund. With all the talk of dollar weakness in the last two years we have continued to be a net creditor in the Fund to the tune of $2 billion with additional unused drawing rights of $4 billion. This situation is absurd. It underlines the Fund's practical shortcomings as a provider of international liquidity. But we do not have to stand idly by awaiting modifications in the Fund agreement. We are entitled to liquidate our present creditor position in the Fund and get a stand-by credit entitling us to exercise part of our other drawing rights at will. To avoid possible adverse psychological reactions we should take these actions at a time like the present when our payments position is improving.

VI

The dollar diplomacy outlined above may be described as the liberal-collective—as contrasted with the restrictive-unilateral—solution to our payments problem. The policies are liberal in the sense that all of them, in greater or lesser degree, mean more economic freedom and a better allocation of resources at home and abroad. They are collective in the sense that most of them rely for their success on harmonious coöperation with other countries. Many of the policies require self-discipline and sacrifice. But all of them are worth undertaking for their own sake, quite apart from our payments problem.

Are we willing—and able—to employ this dollar diplomacy? The answer is still uncertain. We have yet to adopt most of the elements of the liberal-collective solution outlined above. At the same time we have embraced one element of the unilateral-restrictive solution—"tied-lending." Last October the Administration announced that henceforth Development Loan Fund credits to underdeveloped countries must normally be spent in the United States. Later it confirmed the "Buy American" trend in U.S. foreign aid by declaring that specific capital projects of the kind presently administered by the International Coöperation Administration would be transferred as quickly as possible to D.L.F.—and thus be governed by the new policy.

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The "tied lending" policy has been justified as an important means of reducing the payments deficit. This argument will not withstand analysis. About two-thirds of the foreign aid to which the policy applies is already spent on our exports or on the exports of less developed countries heavily dependent on American aid. This portion represents no net drain on our balance of payments. About one-third of aid dollars are spent by the recipients on imports from our industrial competitors. These dollars are "lost" to the United States only to the extent that our allies hoard them and refuse to re-spend them on American goods. Now that our allies have built up their reserves and have begun to dismantle their import controls, somewhat less hoarding may be expected to take place. Even on the most favorable of estimates, the "tied lending" requirement can increase our foreign receipts by only 10–20 percent of the foreign spending to which it applies.

In 1960 "tied lending" will make practically no difference in our balance of payments because it does not apply to the $800 million of D.L.F. loans already committed but not disbursed. In 1961, spending by the D.L.F. might reach $600 million. In that event some $60–120 million might be saved by the "tied lending" policy—about 2 to 4 percent of our present deficit.

Two more plausible arguments are frequently made in defense of "tied lending." The first is that it helps to pacify the powerful forces who would want to apply much worse medicine to deal with our payments problem—quotas, tariffs, cuts in foreign aid and military spending. This argument overlooks the fact that concessions of this sort to opponents of liberal trade and aid policies rarely succeed in their objective, but rather encourage demands for additional concessions. The appetite for unilateral-restrictive measures in foreign economic policy tends to grow by what it feeds on.

The second argument advanced in defense of "tied lending" is that it was needed to force our industrial allies to "finance their own export surpluses"—*i.e.* give more aid to underdeveloped countries. But there is no reason to believe we could not achieve the same result by persuasion in the various international forums available to us. In view of the whole tendency of our postwar foreign economic policy, we are obliged to exhaust the possibilities of the carrot before resorting to the stick.

Since "tied lending" has applied only to the smaller portion of our foreign aid, its ill effects so far have been mainly symbolic.

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But it has quite practical disadvantages as well, which would be felt increasingly if the policy were extended to other parts of our foreign aid program. Being trade-diverting rather than trade-creating, the policy wastes world resources in the same way as quotas, subsidies and high tariffs. By forcing the less developed countries to purchase in the United States even when foreign products are cheaper or better suited to their needs, it reduces the value of our foreign aid. By subsidizing U.S. exports regardless of price and quality it encourages the very slackness which has reduced our competitiveness in world markets. By encouraging our allies to tie their loans it could deprive our balance of payments of the benefits of their growing foreign aid efforts.

"Tied lending" is not merely a retreat from liberalism in foreign trade; it is a retreat from the principle of collective action. We have expended huge amounts of energy, time and money over the last 20 years to build agencies of free-world economic and political coöperation—the International Monetary Fund, the International Bank, the General Agreement on Tariffs and Trade, the Organization for European Economic Coöperation, the North Atlantic Treaty Organization and many others.

These institutions could help us solve our payments problem, if we use them with vigor and imagination. When defenders of "tied lending" argue that it is necessary to "force our allies into financing their export surpluses" they forget we are part of a free-world alliance. As suggested earlier, our intimate connection with our allies through bilateral and multilateral financial, trade and military arrangements gives us plenty of possibilities for adjustment. Only when we have exhausted these possibilities, which we have not even begun to do, are we justified in substituting unilateral sanctions for collective negotiation.

The tendency towards large deficits in our balance of payments may plague us for years or may disappear as suddenly as it has come. It will probably take some time to find out. Meanwhile we can solve our problems by the new dollar diplomacy described above—a diplomacy which is not really new at all except in the application of familiar principles in new and more difficult circumstances.

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ORGANIZING FOR SURVIVAL

By Henry M. Jackson

THE history of political science might be described in terms of a pendulum—preoccupation with the mechanisms of government alternating with neglect of these mechanisms. Between the two world wars the pendulum swung to the first extreme. The attention of political scientists was focussed upon the apparatus of government and upon the juridical forms in which policy was expressed. The make-up of the League of Nations and article-by-article examinations of its Covenant were fashionable topics of scholarly research. Much of this work was of value, but it often ignored the fact that decisions are made by men, not machinery.

The direction taken by political scientists since World War II represents a reaction to the overemphasis put by their teachers on the study of organizational forms. The reaction has been a healthy one. Today the political scientist is interested in the "decision-maker," the forces which influence him, his relations with other decision-makers—in the politics of the decision-making process, not its mechanics. The risk in this approach is clear: it is sometimes forgotten that institutions influence men as well as the other way around. It may be that the most important thing to know about Mr. Stans is that he is the Director of the Bureau of the Budget.

No one denies the importance of leadership. The free world is being tried in a life-and-death contest that is novel in nature and therefore unprecedented in the demands it makes on its leaders. We are at war, and precisely because the guns are not being fired, we need leaders who can teach us the necessity and the art of waging the war that looks like a peace. By outdoing us in science and economics, in preparedness and persuasion, the Communists plan to gain a preponderance that will bring them triumph by our default. Rare qualities of leadership are required to rouse free men to meet this challenge.

As we enter the 1960s, two possibilities face the United States. We, and other free nations, may fail to outperform the adversary and to hold the outward push of Communism from its centers in Moscow and Peking; or we may succeed, thereby creating the preconditions for a hopeful evolution of world affairs. The most

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important fact for Americans to understand as we enter this new decade is that either outcome is possible. Although the expression has a Sunday-supplement ring, the 1960s *will* be a decade of decision—or decadence. We can either fritter away or preserve our chance for survival in freedom. Which outcome it will be depends largely on the quality of our leadership.

I do not think that our friends abroad will misunderstand if an American observes that the President of the United States is, in our time, *primus inter pares* in the councils of the free. The burden of inspiring and directing our united efforts to survive in freedom falls more heavily on him than on any other single man. Atlas is his symbol, and I do not mean the missile.

II

Yet organization, too, is a critical factor. Its importance should not need defense in the United States. Organizational innovations and inventions—like the assembly line—have been among America's greatest contributions to economic progress. It has long been a high compliment in business and the labor movement and generally in our society to be called a "good organizer."

Today the policy road between Washington and an embassy officer in Indonesia, a military field commander in Germany, an information officer in Peru, a technical assistance worker in Ghana, a scientist in a top-secret weapons laboratory, or the teacher who trained him and the taxpayer who pays the teacher is tortuous and long. Complex governmental processes and structures are necessarily required to translate the national will into coherent and effective programs of action.

The plain fact is that good policy demands *both* good men and good machinery. And though it may be true that good men can triumph over poor machinery, it is also true that they are more effective when they work with good machinery.

It has been almost 13 years since the Congress took a look at the organization of the government for making and executing national security policy. The National Security Act of 1947, which created the National Security Council, was essentially a codification of the lessons of World War II.

The new means of warfare have made obsolete the ancient distinctions between foreign and domestic policy. We have seen a multiplication of the material resources required for national security. Wholly new demands upon our intellectual resources

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and new problems of integrating science and politics have arisen.

With these things in mind, the Senate last summer authorized a comprehensive review of our national policy-making machinery. The Subcommittee on National Policy Machinery, of which I have the honor to be Chairman, was instructed to study the effectiveness of present methods of making policy and to make such proposals for improvement as may be appropriate. The President has assured the coöperation of the Executive branch with the Subcommittee and the review is being conducted in a nonpartisan spirit. My colleagues and I have as our common ambition an objective, workmanlike approach to the problem of organization which will, we hope, achieve some early constructive reforms and thus be useful to the Democrat or Republican who becomes our next President.

III

The Executive branch of the federal establishment directs incredibly complex undertakings. As never before, the Chief Executive must be a jack-of-all-trades, and master of most.

In addition to multifarious domestic policies and programs, his is by law and custom the pivotal role in national security affairs. He is responsible for the conduct of foreign relations, the command of the armed services, budget-making, the application of science to defense, and the making of national strategy. He is the chief expositor and defender of national security policies to the Congress and to the people.

The times have created a new Presidency, one far more demanding than in the more quiet past. It is therefore critically important to organize the Executive branch so as to give the President all possible assistance with a job that can never be done as well as it needs to be. Because men differ in their approaches to their tasks, each President needs great freedom to adjust the machinery of the Executive branch to meet his peculiar needs.

The National Security Act of 1947 created a new tool, the National Security Council, for use by the President in the making of national security policy. The N.S.C. is charged with advising the President "with respect to the integration of domestic, foreign, and military policies relating to the national security. . . ." The recognition of the need for integration was perhaps more important than the new organizational hat which the President's principal advisers don once a week.

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However this may be, the N.S.C. has proved to be an adaptable institution which President Truman and President Eisenhower have used in different ways. Originally conceived as a small gathering of the President's most trusted advisers, where key issues could be explored with the frankness inseparable from intimacy, it has grown into a numerous group with an agenda often crowded with routine papers. To its critics, it has become a "paper mill." To its defenders, however, it is an indispensable means for the orderly, systematic and exhaustive consideration of issues.

The principle of coördinating and integrating departmental views at the highest level of government is good. Indeed, as someone has said, "If there were no N.S.C., we would have to invent one." It is important to give all concerned a chance to state their views and to carry clearly defined disagreements to the President for decision. There is no doubt that the Council's devoted staff has this conception of its function or that the many procedural changes of the past several years have been intended to make the N.S.C. a better instrument for achieving this result.

Nevertheless, the smoke of criticism is so heavy that one suspects fire. Perhaps the dissatisfaction stems from unrealistically high expectations about the Council. It is, after all, simply an interdepartmental committee at the Cabinet level. It therefore shares the familiar limitations of the committee system, with its built-in bias toward compromise and lowest-common-denominator solutions, toward busy-work and, when attendance grows too large, toward speech-making rather than a real exchange of views.

On the basis of our studies to date, it is my belief that the Council might be more helpful to the President if it concentrated its attention on a small number of key issues as against an effort to cover the waterfront. Indeed, the Council's most important role may be to expose the President to the gales of controversy rather than to grind out position papers for his approval. The Presidency is a lonely and, strangely enough, isolated office and if its occupant is to provide the leadership we need, he should not be shielded from but become involved in the consideration of the hard central issues of survival. I hope that trends in this direction will be encouraged. More use is being made of so-called "discussion papers," designed to sharpen issues for debate, and this is all to the good, for it is out of genuine debate in the presence of the

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President that true integration and coördination of policy emerge.

In our time, when providing for national security is by far the most expensive activity of government, the N.S.C. process and the budget process should be closely related. Today these two central processes proceed quite independently of each other, with the result that budgetary decisions often in fact nullify or drastically change the intent of decisions presumably taken in the N.S.C. Minor steps have been taken to relate the two processes, but without, it appears, much success, and ways need to be found to bring about a real meshing of the two.

The role of the Executive office in the national security process is itself a controversial question. Every President needs staff assistance, sources of advice and information in addition to the line departments, and the counsel of men who, like the President, must rise above parochialism. Every President must also guard against eroding the prestige of the departments and be wary of advice from bureaucratic ivory towers, remote from the hue and cry of the day's business.

Under President Eisenhower there has been a tendency for the center of gravity in national security affairs to shift toward the Executive office. The President's immediate staff has been strengthened in numbers and broadened in scope. Some feel that this change is in the right direction and that national security planning should be concentrated in a staff at the Presidential level large enough to include experts on all relevant aspects of foreign affairs, defense, science, economics and so on. In this view, the departments and agencies should devote themselves mainly to operations, leaving to a central staff the primary role in the formulation of advice on policy.

Others feel that sensible advice on policy must spring from day-in day-out efforts to deal with operating problems. They would like to see influence shift back toward the departments and strongly oppose the conception of the N.S.C. as a policy planning organization equipped with its independent staff of experts. They would, however, retain the N.S.C. itself as a forum where the President's principal advisers would thoroughly debate key policy issues in the presence of, and with guidance from, the President. Some subordinate machinery would probably be needed to perform the functions of a central secretariat.

My own view tends toward a middle position. The President must, of course, rely for advice primarily on his principal assist-

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ants—the chiefs of the departments and agencies—and they, in turn, must look primarily to their staffs for help in advising the President. In this sense the dominant influences on national security planning will always lie in the departments. At the same time, however, a case can be made for the establishment, within the Executive office but separate from the N.S.C., of a group of advisers and experts to whom the President could look for additional counsel from a perspective different from that of operating agencies. Such a group should in no way stand between the President and his principal advisers. On the contrary, it should clearly stand outside the chain of command, having only staff functions.

IV

The departments having key responsibilities are, of course, State and Defense. The roles and relationships of these two departments therefore deserve and have received special attention.

Changing circumstances have created a new Secretaryship of State, just as they have created a new Presidency. Today the Secretary of State must be more than the nation's chief diplomat. As the President's principal adviser on foreign affairs, he needs a thorough knowledge of the relations between military and foreign policies, of the uses and limitations of economic and military aid, of informational and cultural programs, of the strengths and weaknesses of allied, friendly and adversary states, and of the working of many international institutions.

Under both President Truman and President Eisenhower, the occupant of the office of Secretary of State has been the dominant figure in national security planning. Former Secretary of State Acheson took the leading role in the reformulation of policy following Russia's emergence as a nuclear power in the fall of 1949. It is no longer a secret, if it ever was, that the debate between Mr. Acheson and Mr. Johnson over the need for increased preparedness was sharp and crucial or that it involved issues, including budgetary matters, which could be resolved only by the President. The late Secretary Dulles was clearly President Eisenhower's single most influential adviser on foreign policy during his years of service, though, curiously enough, judging by his appearances before Senate committees, Mr. Dulles seemed not to be well informed on military-scientific developments having an important bearing on foreign policy and tended to regard budgetary questions as being outside his proper concern.

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Apart from the President, the Secretary of State is the officer mainly responsible for defining our national security goals. It is less and less possible, however, to divorce means and ends in planning for national security. Objectives and the military, economic and other capabilities available to pursue them are inextricably intertwined. This bespeaks the need for the closest possible relationships between the Secretary of State and the Secretary of Defense, the Director of the Bureau of the Budget, and others, and at all levels between State, Defense and the other agencies concerned.

Although it appears to be true that the once almost impassable Potomac dividing State from Defense has been successfully bridged so far as day-to-day operations are concerned, it is not so clear that relations are satisfactorily close in policy formulation.

I have often learned to my surprise and disappointment in recent years that research and development in Defense are proceeding without any foreign policy guidance and without any consideration of the foreign policy implications of weapons developments. At the same time, foreign policy is being conducted without knowledge of scientific and technological developments that might have an important bearing on our position in the world. The failure to launch a satellite ahead of the Russians and the lag in the development of the intercontinental ballistic missile provide classic examples. There is a need for what someone has called "middlemen of ideas" in State and Defense, and perhaps also in the White House, who can keep their chiefs better informed on developments of interest to them in other departments and areas. Efforts have been made to develop mechanisms for the exchange of information and ideas across departmental boundaries—notably the "briefing" session—but I am about persuaded that the need is less for mechanisms of this kind than for the development of a corps of people with wide and varied experience.

This line of thought has led me to consider the possibilities of interchanging people between State and Defense and perhaps other agencies, so that more of our career officers would gain the understanding of the other fellow's problems that comes from working on them. One interesting suggestion is that we might create at the top career level a joint career service, members of which would not be tied to a particular department but would be available for special assignments in accordance with changing

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needs and circumstances. Such a service, if the necessary personnel arrangements could be made, might include both civilian and military officers. Its members might also be given special opportunities for advanced training, perhaps in institutions of higher learning but perhaps also by being afforded periods for study, reflection and writing in small seminars devoted to some critical national problem. The seminars might include members of the services, scholars and others with a contribution to make.

It may be that both the Secretaries of State and Defense need to obtain greater assistance from experts in a wide variety of fields. The problem is not one of enabling the Secretary of State, for example, to arrive at independent decisions on military policy or of giving the Secretary of Defense his own miniature State Department, but of keeping Cabinet officers informed in a time when it is becoming ever more difficult for the expert to communicate with those holding the highest political offices.

There may be other ways by which State, Defense and other agencies could be brought closer together to their mutual advantage. At times good use has been made of special State-Defense groups to prepare policy proposals on emerging problems. Increased use of this device may be desirable, especially if one man is made chairman with power of decision. The interdepartmental committee system now consumes endless hours with inconclusive results, resembling a negotiation between sovereign states when neither is willing to break off negotiations or to yield its position. Interdepartmental committees are essential to assure that all concerned have an opportunity to be heard, but there comes a time when a chairman, representing the department having primary responsibility, should be able to close the debate and make his recommendations. The dissenting view can always be expressed by the Secretary concerned when the matter reaches the N.S.C.

A better integration of military and foreign policy might be encouraged if Congress asked the Secretary of State to testify on the foreign policy implications of our defense posture and budget. The Secretary would, of course, defend the President's program, but there are degrees of warmth. In addition, the requirement might lead the Secretary of State to take a more active part in the preparation of the military program and in the budgetary process.

If the Secretary of State is to take a larger role in defense and

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budget policy, it may be necessary to lighten his burden as the nation's chief diplomat. One possible way to do this would be to create a new Cabinet-level post, perhaps called Minister of Foreign Affairs, the holder of which, subject to the direction of the Secretary of State, would be able to represent the United States at foreign ministers' meetings and other international gatherings.

In addition, I believe the Congress should face up to the problem of rapid turnover at the Cabinet and sub-Cabinet level. Our studies of turnover in the Department of Defense clearly indicate that, with few exceptions, Secretaries and Assistant Secretaries do not remain on the job long enough to master what must be among the most complex jobs in the world. I am sure that no business enterprise would succeed if its top officers came and went as rapidly as the men on whom we rely to direct our military establishment. The revolving-door principle of staffing these critical jobs is incompatible with their successful performance and indeed threatens to undermine the principle of civilian control at the very point in history when the skills and talents of the civilian have become essential even to the military art.

V

The wise determination of national security requirements and of the economic capabilities of the nation to meet them is of central, perhaps decisive, importance. In the last 15 years a quantum jump has occurred in the demands which national security makes upon the economy. The problem is twofold: to allocate a given quantity of resources wisely among competing programs, and to provide additional resources where and when they are needed.

The resource-allocating mechanism is the budget, which lies at the heart of national security planning and programming. Policies without resources are nothing but aspirations. Only when resources are allocated does an aspiration become a policy decision. As indicated earlier, the policy-making processes of the National Security Council are not now closely related to the budgetary process. This means that policy decisions, presumably made through N.S.C. channels, are in fact made in the complicated bargaining that occurs in the preparation of the budget.

The faults of the budget are ancient, if not honorable. Ideally, the budget should present a clear picture of what our goals are and of how we propose to accomplish them. It should be an

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illuminating document. As it is now and has long been prepared, it is not illuminating. The budget categories conceal rather than reveal, for example, the nature of our preparedness for various military contingencies. As a Senator and former Congressman who has conscientiously tried to do his homework on the budget, I must say that one is tempted to throw up his hands in frustration. It is impossible to discover what the figures mean, and even after prolonged inquiry, conducted when necessary in executive session, one still seldom feels that one has anything like an adequate understanding of what the proposed budget will accomplish. Sometimes I seriously doubt that the witnesses from the Executive branch really understand the budgetary provisions they are defending.

The art of budget-making is one which Americans are thought to have mastered. Effective use of the budget is made by many progressive concerns as a planning and resource-allocating device. But the federal budget is deficient from almost every point of view. It obscures the distinction between initial capital costs and recurring operational costs. It seldom projects program expenditures more than one year ahead. It does not indicate in understandable terms what results a given expenditure is supposed to buy. It does not reveal how shifts in policy are reflected in expenditures. It gives one very little confidence that more important items always have priority over less important. It does not show what could be obtained with additional expenditures or what would be lost if expenditures were reduced. It is written in a jargon that defies comprehension.

The budget also fails to project the country's economic growth into the future, so that present and future spending can be intelligently related to present and future economic capabilities. The idea that the budget itself should be useful as an instrument for fostering economic growth has never really become an accepted notion in any administration.

In this unhappy, even dangerous, situation the Subcommittee on National Policy Machinery has been led to consider whether the budget message and document should be revised or supplemented by a major new annual report, which might be called the President's Requirements and Resources Report. A revised budget or a new report should have, I believe, these main characteristics: (1) it should define our long-range strategy for national security; (2) it should contain a carefully worked-out statement

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of requirements over the long haul for foreign policy, defense and related domestic policies, indicating priorities and relationships between programs and strategy; (3) it should similarly state the resources needed to meet these requirements in financial and physical terms; (4) it should relate requirements and needed resources to the nation's present and future economic capacities; and (5) it should contain recommendations for action to provide the resources needed for security.

A budget document or a new report along these lines would greatly assist the Congress to obtain an understanding of what we are trying to accomplish and why, and of what we must do to achieve our goals. It would help to focus attention on our national security program as a whole in preparation for the consideration of specific budget items.

But perhaps even more important, it would be a powerful device for developing informed public discussion and debate about our national security policy. It is not surprising that the public seems apathetic about almost everything except the total budgetary request and its implications for taxes, when the ordinary citizen cannot hope to understand what it is that the proposed budget is intended to accomplish. It is deeply disturbing to me that the discussion of the budget inside and outside the Congress plays such a small part in informing all of us about the plans and programs on which our survival in freedom depends.

The contest in which we are engaged is one which severely tests our free society. We have the human and material resources to meet the challenge of the 1960s—if we will use them. Leadership is essential; sound policy is essential; but better organization is the third leg of the stool. The problems of organization deserve creative, imaginative thought and above all the willingness to adjust our institutions to meet the demands of a conflict we did not choose and must not lose.

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THE FUTURE DEVELOPMENT OF NUCLEAR WEAPONS

By Freeman J. Dyson

A YEAR and a half ago the Western powers began negotiations with the Soviet Union for a treaty to end the testing of nuclear weapons. The negotiations were warmly welcomed by the public, and by scientists in particular. It appeared to many people that this was one area of disarmament in which agreement should not be too difficult to reach. The generally optimistic feeling about the negotiations had its origin in three widely held beliefs. It was believed that the development of nuclear weapons had reached a point of technical stagnation; that the military consequences of new inventions in this field would be small; and that a political agreement to cease further development could be adequately controlled by a system of long-range explosion-detectors. These views have been repeatedly expressed by scientific experts, and many citizens and politicians have come to accept them without serious question.

It is my purpose here to argue the contrary views. I believe that radically new kinds of nuclear weapons are technically possible, that the military and political effects of such weapons would be important, and that the development of such weapons can hardly be arrested by any means less drastic than international control of all nuclear operations.

This by no means implies that negotiations to end weapon-testing should be abandoned. If my views are correct, then to end weapons development becomes vastly more difficult to achieve than had been thought, but it also becomes vastly more rewarding. Any agreement to cease weapon-testing upon a sound and verifiable basis will require an opening of communications and a breaking down of barriers among the nuclear laboratories of the world. The aim of our negotiations will thus be not merely the prohibition of weapon testing, but the establishment of an open world. To many thoughtful people, since the early days of nuclear energy, the great hope has been that nuclear weapons would compel mankind to coöperate not only in nuclear affairs but in other areas too. This dream could well be realized if the negotiations which were begun in order to control weapon tests should end in a system adequate to control more substantial disarmament.

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II

Until now we have had two essentially different types of nuclear weapons, the fission bomb and the hydrogen bomb. It is not necessary to discuss in detail how these things work. The essential facts about their performance are the following. A fission bomb cannot explode at all unless it contains a certain quantity (the critical mass) of extremely expensive metal. Thus every fission bomb, regardless of its power, costs a certain fraction of a million dollars and eats up a certain fraction of the available supply of fuel. Every fission bomb using its fuel with reasonable efficiency has an explosive power of the order of kilotons of T.N.T. A hydrogen bomb is able to extract its energy from a much cheaper and more abundant fuel (heavy hydrogen), but it requires at least a moderately efficient fission bomb to ignite it. Thus every hydrogen bomb costs at least as much as a fission bomb. Its cheapness becomes impressive only when its explosive power moves toward the megaton range.

So the basic built-in characteristic of all existing weapons is that it is relatively much cheaper to make a big bang than a small one. Below a certain explosive yield of the order of a kiloton, nuclear weapons are grossly inefficient and extravagant. However, for military purposes other than wholesale annihilation, a kiloton is already an unreasonably big bang. There is a clear and acute military need for an explosive which would fill the gap between a ton and a kiloton of T.N.T. with a cost which is proportional to the yield instead of being independent of it.

There is theoretically a simple way to escape from the tyranny of the critical mass. This is to burn heavy hydrogen without a fission bomb to ignite it. A fission-free bomb, containing a small quantity of heavy hydrogen and no fissionable metal, is logically the third major step in weapon development after the existing fission and hydrogen bombs. Such a bomb has been occasionally mentioned in newspapers and magazines and described as a "100-percent clean bomb." It would not be 100-percent clean. It would contaminate the countryside enormously less than existing fission or hydrogen bombs, but this is not its main advantage. The decisive advantage of a fission-free bomb is that it could be built economically in small sizes. It would have no critical mass. It would provide without gross inefficiency an explosive power adapted to the needs of small-scale and local warfare.

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There seems to be no law of nature forbidding the construction of fission-free bombs. The question remains whether this theoretical possibility is likely soon to be realized. In this connection some sentences from a report by L. S. Artsimovitch entitled "Research on Controlled Thermonuclear Reactions in the U.S.S.R." are interesting. The report was published in *Uspekhi Fizicheskikh Nauk* in December 1958 and is now available in translation. The quotation is condensed and some technical phrases are omitted.

> It may also be possible to realize a pulsed thermonuclear reaction under conditions in which the high temperature is produced by a charge of conventional explosive (such as T.N.T. or something more powerful) which surrounds a capsule containing heavy hydrogen. Without dwelling on the experimental details, we may note that conditions have been found under which the generation of neutrons in hydrogen reactions has been established reliably and reproducibly. In experiments carried out in 1952, there is no doubt that we have observed neutrons which are formed as a result of the heating of matter to extremely high temperatures. This process takes place under conditions in which the density of matter is very high (significantly exceeding the normal density of solids).

Artsimovitch is a well-known and first-rate physicist who played a prominent part in the Soviet weapons program (at the appropriate times he received Stalin and Lenin Prizes). These remarks which he published are an indiscretion, and presumably a calculated indiscretion. It is at least highly interesting for us to know that the Russians were experimenting with fission-free explosive systems in 1952. No doubt somebody on the Russian side hopes by such a minor indiscretion to stimulate a more serious indiscretion on our side. This is the kind of poker game we are playing.

I shall not be so indiscreet as to say anything about the more recent history of fission-free bombs. What I wish to make clear is that these bombs are a theoretical possibility, and that their importance is well understood by at least some individuals on both sides of the iron curtain. Any political arrangement which fails to take these facts into account is doomed to failure.

The future growth of nuclear explosion technology will have military importance in many ways which are hard to foresee now. There are many areas of weaponry in which important problems remain unsolved. The unsolved problems are not, as is often claimed, to make slight or marginal improvements in existing designs. There are several directions in which qualitatively new methods of design may lead to qualitatively superior weapons, or

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to weapons performing qualitatively new functions. To give only one example, it is possible that a nuclear explosive system designed for the efficient propulsion of a space ship could be the key to long-range and economical space travel. Any country possessing a markedly superior propulsion system in space would reap important advantages, both military and non-military.

To illustrate as forcibly as possible the military importance of new weapons, I return to the example of fission-free systems. Imagine a hypothetical situation in which the United States is armed with its existing weapons, while some adversary (not necessarily the Soviet Union) has a comparable supply of nuclear fuel and has learned how to ignite it fission-free. The adversary's bombs would then outnumber ours ten or a hundred to one, and theirs could be used with far greater versatility in infantry warfare. Suppose that in this situation a local war of the Korean type should begin. God help the American infantryman who is sent in to fight against these odds. Practically speaking, our army would have only two alternatives, either to retreat precipitously or to strike back with our much more limited number of heavier nuclear weapons and thoroughly destroy the whole country. This is not a pleasant situation to contemplate, and yet it is necessary that our people understand that it is a possibility. Any country which renounces for itself the development of nuclear weapons, without certain knowledge that its adversaries have done the same, is likely to find itself in the position of the Polish Army in 1939, fighting tanks with horses.

III

Next let us turn to the stubborn subject of long-range explosion-detectors and their effectiveness for policing an international agreement to halt weapon testing.

A conference was held at Geneva in the summer of 1958 at which scientific experts from East and West met and discussed the problems of long-range detection of explosions. The records of the existing long-range detectors and the responses of these detectors to past weapon tests were examined in detail. After some strenuous argument, the conference agreed upon a statement of conclusions. The statement describes a particular system of detectors which is suggested as a basis for a future international control of weapon-testing. This system, now generally known as the "Geneva system," consists principally of 180 con-

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trol posts equipped with a variety of scientific instruments and distributed over all parts of the earth. The statement concludes "that it is technically feasible to establish, with the capabilities and limitations indicated below, a workable and effective control system to detect violations of an agreement on the world-wide suspension of nuclear weapons tests."

The agreement of the Geneva "conference of experts" was widely hailed as a shining example of the triumph of scientific objectivity over national and political differences. In many ways it was indeed a triumph. For the first time since the advent of nuclear weapons, men from East and West were sitting together to discuss the nuclear facts of life with some degree of openness. And the speed with which this technical conference could reach an agreement was in startling contrast to the interminable sterility of earlier negotiations with the Soviet Union.

The experts at Geneva in 1958 did not know to what extent artificial concealment of nuclear explosions was technically possible. Probably for this reason they decided to say nothing about it. Scientific objectivity would, however, have required them to report that the concealment problem had not been explored.

Since the summer of 1958, political negotiations between the Soviet Union and the Western powers have been in progress, aiming at an agreement to cease weapon tests. Throughout these negotiations, the Soviet delegates have adamantly held to the line that the Geneva system could effectively police such an agreement. They have refused even to enter into any realistic discussion of the concealment problem. Meanwhile, a small number of Americans have started belatedly to think about concealment, and some small non-nuclear experiments have been carried out. It has gradually become clear to the American experts that a high degree of concealment is theoretically possible. In a report issued in June 1959 by a panel appointed by the Science Advisory Committee of the United States Government to study the possible improvement of the Geneva detection system, it was stated:

> In considering the possibility that the capabilities, now or in the future, of the Geneva System might be reduced by the intentional concealment of underground tests, the panel concluded that decoupling techniques existed which could reduce the seismic signal by a factor of ten or more. Moreover, preliminary theoretical studies have shown that it is possible in principle to reduce the seismic signal from an explosion by a much greater factor than this.

The technical facts concerning concealment were held secret

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until December 1959. It will still be some time before the facts are published in detail and exposed to the scrutiny of the international community of scientists. Only after such public scrutiny, and a great deal more experimental work, will it become possible to make an objective judgment of the effectiveness of concealment. Meanwhile, the limits of uncertainty remain very wide.

My personal opinion is that nuclear explosions in the kiloton range could be concealed very completely. That is to say, I believe it will be feasible to build a building, looking externally like a normal industrial structure, within which kiloton explosions can be contained. The cost of such a facility may not be exorbitant, and the earth tremors which it produces may be no larger than those produced by ordinary industrial operations. Giving free rein to the imagination, one may envisage a weapon testing facility bearing on the outside the inscription "Kazakhstan Consolidated Steel Mills" and carrying on a legitimate business of steel fabrication as a side line. Concealment of this sort could be detected only if the international control authority were empowered to travel everywhere and to open all doors.

So long as the concealment problem has not been thoroughly and openly investigated, the effectiveness of long-range detectors against concealed explosions will be known only to those governments which conduct their own clandestine experiments. Under these conditions the idea of international control of explosions by long-range detectors is a dangerous illusion. If, as I suspect, the total concealment of explosions is possible, then a long-range detection system can never guarantee the observance of a test-cessation agreement. No party to the agreement can be sure that his adversaries are not secretly and successfully carrying on the development of new weapons. Especially dangerous is the circumstance that many of the militarily important new weapons will require test explosions only of very low yield.

If we sign an agreement to cease weapon-testing on the basis of a long-range detection system, ignoring the possibilities of concealment, we are trusting to the good faith of all the signatory powers. Now it can be argued that an agreement with the Soviet Union based upon good faith is not worthless. One need not assert that the Soviet Union would feel inclined to violate such an agreement whenever it were technically possible to do so with impunity. It is enough that a world-wide agreement to stop testing, based on good faith alone, would be very unlikely to last forever.

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Somewhere, sometime, some government would yield to temptation and resume testing in secret.

Public opinion in the West has a terrifying readiness to take refuge in illusions. For some years after 1945 we took refuge in the illusion that our preponderance in nuclear weapons would be more or less permanent. Now many of us are taking refuge in the illusion that the development of nuclear weapons can be stopped all over the world by a painless international agreement and a few hundred seismographs. It is necessary that we face facts resolutely. One fact is that militarily important weapons can be developed in secret by any government keeping a large part of its territory closed to foreigners. Another fact is that, in the absence of an effective international control of armaments, the pressures driving other governments to surpass ours in the technology of nuclear weapons will be almost irresistible.

To ensure that new weapons are not developed, there must exist an international force of detectives with unrestricted rights of travel and inspection. Such an international detective force is at present unacceptable to the Soviet Union. For this reason it seems inevitable that the development of nuclear weapons will continue, either openly or in secret, for many years to come. For the peace of the world, it is far better that the new weapons should be developed openly than in secret. We must forever be thankful that the unconcealed testing of large hydrogen bombs has made the power of these weapons known to everyone.

The only wise policy for the United States at present is to continue the exploration of nuclear weapons technology, including the testing of weapons, until a reliable international control of testing is established. We should not be discouraged by the fact that the Soviet Union will not now accept such a control. In the last ten years the Soviet Union has come a very long way toward accepting the unpleasant facts of life in the nuclear age. It is quite possible that in another ten years the pressure of logic will carry the Soviet leaders a great deal further. In particular, it is possible that the Soviet authorities may in ten years recognize the fact that a rigid international control of all nuclear activities is the only guarantee of their safety as well as of ours.

IV

To many people the continuation of any sort of nuclear weapons development is morally repugnant. To these people my argu-

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ments will carry no conviction. They will feel that these arguments merely reveal a moral blindness and an insensitivity to the overwhelming evil of nuclear warfare.

Everyone is agreed that war is evil and that nuclear war is surpassingly evil. And we live in a world where independent sovereign states have undisputed power over stockpiles of nuclear weapons. What then is to be done? I find no escape from the logic which impelled Lilienthal and his colleagues in 1946 when they drew up their plan for the international control of nuclear energy. If nuclear war is to be permanently avoided, it is necessary that somehow, sooner or later, sovereign states voluntarily hand over their nuclear armaments to an international authority. And the international authority must control everything, not only weapon tests but also production facilities, stockpiles and research.

The prospect of an adequate international control of armaments is remote, although possibly not as remote as it seems. Our whole endeavor must now be directed to stay alive somehow and to maintain the stability of the world through the interim period while international anarchy prevails.

During the period of international anarchy, we have a moral choice, either to strive to the utmost to remain in the forefront of nuclear weapons technology or to let the leadership pass into the hands of others. These are the only two alternatives before us. We do not have the power to change the laws of nature so that the possibilities for developing new weapons will disappear. Our moral choice is, either to possess the new weapons ourselves, or to leave it to chance to decide who shall possess them.

The moral dilemma facing the designers of weapons today is not essentially different from that which faced the builders of the fission bomb in 1943 and the builders of the hydrogen bomb in 1951. In each case the choice is the same. You discover that a new and horrible kind of weapon can be made. Either you make it yourself, or you leave it to chance to decide who makes it.

I believe the morally right decisions were made in 1943 and 1951. And I believe the morally right decisions now must be the same. Apart from all considerations of patriotism, it would be wrong for us to leave the future development of nuclear weapons to chance. Our development and possession of these weapons will help to maintain the stability of the world, until in the fullness of time we can hand over all such devilish inventions to an international authority powerful enough to prevent their abuse.

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ATOMIC ENERGY FOR PEACE

The U.S.S.R. and International Coöperation

By V. S. Yemelyanov

NUCLEAR energy has opened up entirely new opportunities for enhancing man's control of nature. It has immeasurably enlarged energy resources and has become a new source of power. Nuclear radiation and radioactive isotopes have been turned into a powerful means of developing research in every branch of science and engineering and into a practical tool in industry, biology, medicine and agriculture.

In the Soviet Union, all the achievements of nuclear physics have been placed at the service of the people. There is hardly any branch of the national economy which does not use to some extent the new materials and the new methods that have originated in the nuclear age.

The Soviet Union was the first to demonstrate the practical possibility of using the energy of nuclear fission to generate electric power. Today no one doubts that it is practical to produce electricity by this means. But the wide use of nuclear energy requires that atomic power stations should operate not only reliably and safely, but also economically. The possibilities of reliable and safe operation have been proven in practice at the first Soviet power station. On the cost side, preliminary estimates indicate that even under present conditions large atomic stations are capable of generating power at approximately the same price as thermal power stations using fuel transported from far-off sources. However, these estimates are based on a number of assumptions and must be confirmed by experience.

Nuclear power engineering is still in its infancy and has many problems to solve. The first atomic power station in the world is only five years old; and as with any growing young organism, radical changes take place in the course of development. Understandably enough, the changes are of considerable importance and occur very rapidly; and since they concern both new scientific discoveries and technical improvements they often compel revision of previous decisions and suggest new variants. The rapid progress of nuclear science and engineering, and the absence of accepted standards, forbid the fixed and unambiguous decisions

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that would be necessary to proceed with building large-scale atomic power stations. What types of stations will best meet the requirements of industrial operation is not yet clear. It may be stated that no country at present has any types sufficiently proven both technically and economically to enable it to develop plans for large-scale atomic power engineering.

In the Soviet Union, research in the field of atomic power engineering seeks to solve a number of both engineering and economic problems. Our country is rich in mineral fuel reserves; we have time to analyze unhurriedly the various trends in atomic power engineering thus revealed. In the coming seven-year period the increase in our power station capacity will be primarily in thermal electric power stations, which can be built much faster and more cheaply than those employing atomic power. The latter are constructed chiefly in order to check the various designs of nuclear power plants—above all, to check the reliable operation of the major units and parts of the power reactors.

Apart from the various sorts of power reactors being constructed in the Soviet Union, we are building atomic power stations in Czechoslovakia and the German Democratic Republic jointly with experts of those countries. On the basis of the experience acquired in building and operating a variety of power reactors, we shall accumulate sufficient technical data to appraise the advantages and deficiencies of the types in question and arrive at basic economic conclusions as to their relative advantages. We shall then be able without undue risk to draw up further plans of research in this new field.

In addition to building atomic power stations, we have started construction, in accordance with the Seven-Year Plan, of a number of nuclear reactors intended for research work. The aim here is to investigate materials under conditions of irradiation.

Research in utilizing the energy of nuclear processes has been conducted chiefly in Moscow and Leningrad, but in the last few years it has also been started in other parts of the country. In 1959, a nuclear reactor for research in this field was begun at the Physical Institute of the Ukranian Academy of Sciences in Kiev. Nuclear reactors have also been built in Tbilisi (Georgian Soviet Socialist Republic) and at the Physical Institute of the Usbek Academy of Sciences in Tashkent, and reactors are also being built in the Latvian, Byelorussian and Kazakh Republics. Further, nuclear reactors are under construction at the Polytechnical

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Institute in Sverdlovsk (the Urals) and at the Tomsk Polytechnical Institute in Siberia to train the students of those institutes. Thus the development of research work as well as the training of highly qualified specialists in the field of atomic power engineering is assuming a wide scope.

While perfecting the techniques of experimental work, developing further research, establishing new research centers and continuing to train specialists at home, the Soviet Union also renders considerable help in this field abroad.

Since 1955 the Soviet Union has helped set up research centers in many countries for studying the peaceful uses of nuclear energy. Under existing agreements, it has built a number of nuclear reactors and equipped laboratories, including such complex physical installations as cyclotrons and electrostatic generators. Thus an important research center has been set up in the Chinese People's Republic, containing a reactor with a capacity up to 10,000 kilowatts. In Czechoslovakia and Poland the research centers which have been established consist of a complex of buildings equipped with 2,000-kilowatt nuclear reactors, cyclotrons and other physical devices.

Similar centers have been set up in the German Democratic Republic as well as in Hungary and Rumania; one reactor has been built in Jugoslavia; another is under construction in Bulgaria; and a research center is being set up in the United Arab Republic. The latter is being equipped with a 2,000-kilowatt nuclear reactor and an electrostatic generator, as well as with various kinds of apparatus required for research work. In the latter part of 1959, the Soviet Union signed new agreements with the Korean People's Democratic Republic and the Republic of Iraq providing for the construction of reactors and the installation of diverse equipment.

The Soviet Union also has initiated the use of nuclear power in transportation. We have built the icebreaker *Lenin,* the first surface vessel propelled by a nuclear power plant. It is designed to cruise without calling at a port for a whole year.

Reclamation of the Soviet North washed by the Arctic Ocean is inconceivable without the assistance of powerful icebreakers. They are necessary to escort caravans of ships, not just along the narrow strip of coastal waters but also further north. The icebreakers at present servicing the northern sea route use conventional fuel. They waste much time refueling and are under con-

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stant threat of being icebound for lack of fuel. In a type of vessel like an icebreaker the advantages of nuclear power are manifest.

II

In the fission of uranium and plutonium nuclei, energy is released not only as heat but also as radiation. The energy of nuclear radiation can be used in various ways.

Experiments have shown that nuclear radiation has a powerful impact on various chemical processes and substances. The reactions resulting from such impacts have been termed radiation-chemical reactions. It has also been established that nuclear radiation can be used practically in a number of chemical processes, namely polymerization, oxidation of organic compounds, halogenation, cracking and many others.

Polymerization (the formation of organic compounds of high molecular weight from those of low molecular weight) is highly important in the production of many organic compounds.

Halogenation (the displacement of hydrogen atoms in the molecules of organic compounds by chlorine, fluorine, bromine or iodine) is the basis for the formation of many substances required for the production of major intermediate products to obtain various plastics and synthetic rubber.

The specific advantage of radiation polymerization is that it can be used on compounds which do not yield to polymerization by other methods. The rate of radiation polymerization is higher; it is easier to control; and it does not require the addition of foreign matter, the residues of which often deteriorate the properties of the final product.

Using the impact of nuclear radiation, it is possible to carry out the synthesis of a number of new chemical products. It is possible to "cross-link"the molecules of many organic compounds and to combine their most valuable properties in the newly derived product. A number of such materials with new properties have been obtained with polyethlyene and polysterene.

Vulcanizing some kinds of rubber by conventional methods is extremely difficult, and the quality of the final product is rather low. Radiation vulcanization of these rubbers is much simpler, and no foreign substances have to be added in the process. A product of higher and more uniform quality is obtained.

Nuclear radiation can also be applied in a number of chemical industries, for instance to bind atmospheric nitrogen and to ob-

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tain nitric acid, ammonia and cyanogen. And with the use of radioactivity it is possible to crack petroleum and to change the properties of many organic compounds.

Estimates by Soviet experts have shown that by using the radiation of the waste fuel elements at the Novovoronezh atomic power station now under construction it will be possible to vulcanize about 2,000,000 automobile tires a year or yield some 200,000 tons of polyethylene.

Thus we see that an atomic power station is not only capable of generating electricity; the accumulated waste can be an important means of carrying out chemical processes which are likely to be widely applied in the very near future. Science has opened the way for the practical utilization of nuclear radiation, and indications are that it will be a paying proposition.

It is still difficult to say what the main objective will be in utilizing the nuclear processes of fission—whether it will be to generate electricity or to make chemical products based on the use of nuclear radiation. Quite possibly electricity will be a by-product of the radiation-chemical industry. In the Soviet Union, much attention is being devoted to research in this field.

The era we have entered is frequently called the age of nuclear energy. This is quite true. But an equally distinguishing feature of it is the ever-increasing application of automation and the mechanization of processes of production, control and regulation by means of electronics and radio engineering. Here, too, the prospects of development are almost boundless.

Radioactive isotopes are destined to play an important role in the complex mechanization and automation of industrial processes. By means of them it is possible to control the production processes of pig iron and steel—to control automatically milling, the quality of casting, and the processes of welding, to discover deposits of minerals, to determine defects in structures, etc. Radioisotopes in mines check the operation of transportation mechanisms; in chemical works they control the levels of liquids or the density of gases; in engineering mills they count the number of parts and prevent accidents. As a rule, their use leads in every industry to reduced waste, higher production rates and considerable financial savings. According to rather incomplete and inaccurate estimates, the use of radioisotopes in the Soviet Union saved, by the end of last year, two billion rubles. In the coming five or six years the savings obtained by the automatic

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control of production processes are expected to reach four to five billion rubles.

But the value of radioisotopes cannot be estimated only in terms of money saved by industry (very large as the sums are) or in their uses to control or regulate technological processes. Their importance is immeasurably greater. For they have introduced a revolutionary principle into many industrial enterprises, and other enterprises as well.

They have found wide application, for example, in oil prospecting and production. The Soviet atomic industry has created the conditions necessary for large-scale production of radioactive polonium and has made it possible to employ polonium-beryllium sources of radiation.

The method of neutron logging of oil wells developed in the U.S.S.R. has been put to use widely in our oil regions since 1950. In 1953, our industry started the mass-scale production of equipment for radioactive methods of logging; and in 1957, as a result, more than 25,000,000 feet of wells were explored by these methods. Today over 150 geophysical prospecting groups are employing these methods in their work. Radioisotopes have also been extensively used in oil production, chiefly in studying the technical conditions of the wells.

The use of radioactive methods in the oil industry saves considerable sums by identifying the geological sections of the wells, singling out the gas-bearing and oil-bearing strata, and perfecting the methods of observing the processes of developing oil and gas deposits. In 1958 alone the savings thus effected amounted to over 350,000,000 rubles.

Numerous observations testify to the fact that radioactive irradiation is capable of enhancing or suppressing the vital activity of many vegetables. Radioactive phosphorus placed in the soil has a beneficial effect on the growth of tomatoes and in increasing the number of flowers. It has been recorded that radioactive substances also increase the yield of peas, beans and many other agricultural crops.

Radioactivity can also be used very effectively to prolong the freshness of some vegetables. Present methods of storing vegetables are based on low temperatures; but they are not suitable for potatoes, for instance, since at a temperature lower than 41 degrees potatoes acquire a sweetish taste owing to the conversion of starch into sugar. Potatoes subjected to radioactive irradiation

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can be kept in ordinary non-cooled storehouses till the next harvest. A mobile installation for irradiation has been designed to service several storehouses. Investigations at the Institute of Nourishment under the U.S.S.R. Academy of Medical Sciences show that the irradiated potato is harmless and edible.

Methods of combatting agricultural pests are of great national economic significance, as shown by an inquiry conducted by the United Nations in 29 countries. It revealed that the storage loss of grain due to pests is often as high as 5 percent; and half of this is caused by insects such as granary weevils, moths and others. In individual batches of grain the losses reached 40–50 percent.

The radioactive irradiation of grain kills or sterilizes granary weevils. On the basis of work at Soviet research institutions, an experimental plant for the irradiation of grain, with a capacity of 1,100 pounds per hour, is now almost completed. The experience thus gained will be applied to the destruction of pests in all the granaries of the country.

Radioactive isotopes are finding ever-increasing application in medical practice. They are being successfully used in diagnostics, enabling the physician to determine the symptoms of many diseases at an early stage when they cannot as yet be detected by any other means.

Radioactive iodine is used in diseases of the thyroid gland, and sodium in disturbances of the blood circulation and in diseases of the vascular system. Radioactive cobalt is used in treating malignant tumors, and phosphorus is helpful in curing many forms of angioma (a variety of tumor) as well as in treating some skin diseases. By means of radioactive isotopes medical workers study the effects of drugs administered to the patient and determine the mechanism of their action.

The wide application of isotopes in biology and medicine in the Soviet Union has stimulated the development of new methods and new medical devices and apparatus. Whereas formerly the same equipment which was used in testing samples of blood or tissue also served in various biological investigations, various new types of specialized equipment have recently been developed for isotopic investigations, particularly of living organisms.

The substances introduced into a living organism are in constant motion, which may either be very fast, for instance in the case of the blood stream, or slow, for example during absorption in the stomach or during excretion by the kidneys. The motion

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of the substance can be studied with exactness, provided observations are made simultaneously at many points, *i.e.* when the picture as a whole is analyzed.

A special "radiograph" has been developed in our country for this purpose. Eight probes are placed in various sections of the organism under examination. After a tracer and a quite harmless quantity of the radioactive substance have been introduced, signals from these eight probes are recorded on a tape moving in front of the observer; they "tell," as it were, the hidden processes occurring in the patient's body. With this information the physician can form an opinion on many things—the rate of the circulation of the blood in the various sections of the organism, including the lungs; the activity of the heart; the assimilation of substances from the gastro-intestinal tract; the excretion of some substances by the kidneys and even by each kidney separately.

All these data help in establishing accurately the nature of the disease and in eliminating many diagnostic difficulties. The radiograph designed in the Soviet Union was shown at the Soviet Exhibition in New York in 1959 and won recognition.

Since the advent of nuclear energy, great attention has been given in the Soviet Union to the problem of creating controlled thermonuclear reactions.

Utilization of light nuclei synthesis energy will place at the service of man the boundless power resources contained in ocean water, thereby providing power engineering with raw materials for millions of years, even allowing for consumption of power a thousand times greater than at existing levels. The practical utilization of such processes, however, will require even greater and continuing efforts on the part of physicists and technicians.

We attach practical importance to research aimed at mastering these processes and are sparing no efforts or means to wrest one secret more from nature—the secret of how to control the energy processes underlying the existence of the entire animal and vegetable world of our planet. We believe that, following the extensive use of the energy of heavy nuclei fission, there should begin an era in which the energy of light nuclei fusion will be even more widely utilized.

III

Along with the research which the Soviet Union is carrying forward in order to expand the use of atomic energy in its own

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national economy it also is sharing its achievements with others.

Thus it coöperates extensively on an international plane in the peaceful uses of atomic energy. This coöperation has assumed various forms, but in every agreement signed by the Soviet Union with other countries the principle of respect for the sovereign rights of states is strictly observed. In all, the Soviet Union has bilateral agreements with 11 countries covering scientific, technical and industrial aid and coöperation.

The Soviet Union proceeds from the principle that countries receiving its aid in the peaceful uses of atomic energy should be enabled as a result to develop further research independently and should not be chained to the chariot of the country which has given them help at the start. It therefore strives to aid to the maximum the scientific research carried out in other countries; its own chief function is to supply the needed equipment and materials. It attaches particular importance to the training of national staffs.

From the very beginning, the Soviet Union expressed its willingness to coöperate with other countries in the peaceful uses of atomic energy; and it also has helped other countries through the International Atomic Energy Agency. We regard the Agency as an organization which, as laid down in its statute, "conducts its activities in accordance with the purposes and principles of the United Nations, aimed at strengthening the peace and fostering international coöperation." In consonance with this provision we believe that coöperation in the peaceful uses of atomic energy should contribute to the strengthening of international confidence and the broadening of economic, scientific, technical and cultural ties between nations.

We have joined the Agency not to compete, but to coöperate. This coöperation should be coöperation among equals. The countries which have advanced in the peaceful uses of atomic energy should extend help to those which need it. Through the Agency the underdeveloped countries can be helped to develop their economy, to train national staffs and to advance their science and engineering. It obviously is of considerable importance that they draw their programs of scientific research properly.

Here the International Atomic Energy Agency can render substantial aid. If it would invite specialists from countries considerably advanced in the field of atomic science and engineering to work with representatives of underdeveloped countries, it could

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get initial programs of research and exploration under way in those countries and stimulate subsequent independent research. Through the Agency the underdeveloped countries could arrange to train their own national personnel in the educational and research institutions of countries more advanced in atomic science and engineering. The Agency also could help them set up their own centers by enlisting specialists and supplying equipment.

In the immediate future the most fruitful development in the field of atomic energy in most of the underdeveloped countries will be training staffs and setting up national educational and scientific centers to begin training needed specialists. The most rational course would be to emphasize training in the use of radioactive isotopes, above all for diagnostics and the treatment of diseases and also for combatting agricultural pests.

But the Agency's usefulness will not be limited to underdeveloped countries; it also can serve countries which are far advanced in peaceful uses of atomic energy—that is, all its own members.

In the first place, they will profit from a well organized exchange of scientific and technical information. This will do away with unnecessary duplication in scientific work, reduce expenditures on research and speed up the solution of scientific problems. Scientific information can be exchanged in various ways. Of great importance is the rapid exchange of scientific and technical publications, the calling of conferences on major scientific and engineering problems, and the discussion of plans for new investigations and projects. Finally, highly developed countries could work jointly on problems of modern physical science and engineering which are too intricate and costly for any single country.

Mankind is faced with urgent and most complex problems which are beyond solution not simply by a single person but sometimes even by a large body of scientists. The lone scientist no longer exists; only large bodies can solve scientific problems. The present-day research institute is a vast and intricate complex, equipped with diverse and complicated devices and employing experts in several different specialties. Sometimes it is difficult to find all the necessary things for the solution of an outstanding scientific problem within the boundaries of a single country. Since science and engineering have developed unevenly in individual countries, one branch may be advanced while another is lagging.

Coöperation and discussion of the common problems facing all scientists have become necessary. Nor is it merely that great

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numbers of experts in various specialties are required; this sort of experimental work calls for vast expenditures too. For example, investigations into the interaction of nuclear particles require particle accelerators, very expensive and intricate physical tools.

At present scientists in many countries are carrying out the same investigations. The expense is being duplicated over and over. Not only is time lost but many of the huge capital investments are unnecessary. Quite understandably, the question arises why the problems cannot be solved jointly. Scientists from many countries are asking this question more and more frequently at international meetings. Why, actually, cannot this problem be solved? What in fact hinders coöperation?

In some countries scientists are not allotted sufficient finances for research, so that many take no part in solving the most pertinent problems of the day. Considerable numbers of scientists and huge material resources are being diverted to armaments. Many gifted scientists are engaged at military institutes and laboratories, developing the designs of new weapons and improving existing ones, elaborating new means of warfare and perfecting war techniques. Not only does this work absorb immense financial sums; it also monopolizes the most talented people.

Some scientists who cannot see clearly how to ensure the peaceful use of the achievements of science and engineering lapse into pessimism. Some, for instance, come out with declarations in favor of abolishing one of man's greatest discoveries; they advocate discontinuing altogether the use of atomic power not only for military purposes but for peaceful ends as well.

What is the way out? There is one way and one way only—complete disarmament. Were a program of complete disarmament accepted it would at once bring science and engineering to full flower. The chief obstacles to creative scientific work would be eliminated everywhere. What are now considered the most difficult problems—problems which some scientists think will take decades to solve—could without any doubt at all be solved in a very short time. If there were complete disarmament the doors of all the secret laboratories would be thrown open; all the might of atomic science and engineering would be put at the service of peace. The military uses of atomic power greatly reduce the possibilities of international coöperation. Only if there is complete disarmament will scientists attain limitless opportunities for coöperation; only then will science really flourish.

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THE "CHINA PROBLEM" RECONSIDERED

By Chester Bowles

IN the autumn of 1949, after 22 years of bitter and protracted struggle, Mao Tse-tung and his Red armies finally established Communist rule over mainland China. The initial American reaction was division and confusion. It has remained so to this day. We still are certain only of what we will *not* do about China. We will not give formal recognition to the government in Peking. We will not agree to Chinese Communist membership in the United Nations.

For too long now we have remained at the mercy of events set in motion by leaders in Taipei and Peking. We have neglected to make constructive use of the periods of uneasy calm between recurrent crises. We have failed to take into account adequately the long-range forces which seem certain to shape future developments. Has the time not come to face the fundamental realities of our "China problem"? Until we do, we shall continue to be severely hampered in our relations with all of Asia.

Under present conditions, debate over recognition of Communist China by the United States is largely a dead-end street. If we should propose an exchange of ambassadors, Mao Tse-tung would surely ask if our recognition extended to Communist sovereignty over "the Province of Formosa." And when we replied that it did not, his response would inevitably be a contemptuous refusal of our offer. A similar outcome can be predicted if we proposed that "both Chinas" be admitted to the United Nations. Chiang Kai-shek would also reject such a proposal. The stalemate would persist.

This means that the two primary questions which have caused such deep discord here in America are not at the moment solvable. At some later stage we may find it useful to test the peaceful intentions of the Chinese Communists by proposing that both sides accept a situation which neither we nor they can alter short of war. But until then, let us bypass the question of formal relationships and focus on the immediate and, perhaps, obtainable.

If there were no other reason to seek a fresh perspective on Communist China, the crucial issue of disarmament would in itself be enough. For it is clear beyond doubt that no disarmament plan can have meaning without her participation. She pos-

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sesses not only the world's largest army but a potential capacity for the production of nuclear weapons. Nor is there any reason to believe that we can hold the Soviet Union accountable for Peking on this matter. Either we must give up any thought of reaching an agreement on a safeguarded system of world-wide disarmament or search for ways to influence the course of events in the China theater.

While we may be almost totally unable to affect short-term developments in Communist China, our capacity to influence other aspects of the China problem is greater than we seem to realize.

Formosa (Taiwan) offers a case in point. The island is rich and its economic development has been spectacular; yet its political position remains precarious, not only in regard to mainland China but also in its relations with the whole arc of free Asia from India to Japan. This is so because Formosa's political status is founded on a myth that Chiang Kai-shek, who was driven from the mainland 11 years ago, remains the ruler of 650,000,000 Chinese. This myth—rejected by most Asians, by our NATO allies, by our closest friends the Canadians, and by a large number of Americans—is supported only by three or four Asian governments under heavy pressure from Washington, by our Department of State and by some members of Congress. Perpetuation of the myth will increasingly isolate Formosa at a time when its leaders should be striving in every way to identify their future with the mainstream of thought and action in free, non-Communist Asia.

Americans and Nationalist Chinese alike should now strive to find a common ground with their allies and friends, and to relate their policies more rationally to the forces which will shape events in Asia during the next decade. Such policies, I believe, may be based on the following assumptions:

1. That the Peking government, although beset with difficulties, is in firm control of mainland China.

2. That mainland China, with an inadequate resource base, spiraling population, ruthless Communist leadership and intense nationalist spirit, will develop fiercely expansionist tendencies directed toward the weaker neighboring states to the south.

3. That a primary aim of American policy should be to prevent the armed expansion into Southeast Asia which Chinese Communist leaders may be tempted to undertake.

4. That any effective disarmament program will ultimately require Peking's participation.

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5. That in the present circumstances no negotiation of our major differences with the Peking government seems likely to be productive.

6. That the 8,000,000 Formosans and the 2,000,000 mainland Chinese on Formosa have the right to a secure, independent existence and to cultural development outside the Communist orbit; and that such an evolution on Formosa is in the interests of the American people.

7. That for the time being Formosa's independence will continue to depend on American military guarantees and economic assistance.

8. That in the long run the security and prosperity of the people of Formosa will depend on the orderly political growth of the non-Communist nations of Asia, particularly India and Japan, and on their attitudes toward the Formosa government.

9. That if ever it becomes practicable it will be in our national interest to restore our traditionally friendly ties with the Chinese people on the mainland.

Let us now examine, within the framework of these assumptions, the realities with which American policy must grapple.

II

Formosa, an island of 14,000 square miles of lofty mountains and fertile valleys, has hovered on the edge of Chinese history for several hundred years. In the mid-seventeenth century, when the invading Manchus displaced the Ming emperor in Peking and over-ran China, Formosa served as a refuge for adherents to the Ming régime, much as it now serves Chiang Kai-shek. In 1683, after 40 years of fitful struggle, the Manchus finally annexed the island and made it for the first time a province of China. In 1895, following the Japanese victory over China, Formosa passed under the rule of Tokyo and remained there until its liberation by American forces 50 years later.

Today political power in Formosa rests exclusively with the Generalissimo's authoritarian Nationalist Government. The 2,000,000 mainlanders who fled with Chiang across the Formosa Straits in 1949 provide most of the central government's staff and account for two-thirds of his army of nearly 600,000 men. For a decade, American policy in regard to Formosa has largely focussed on this Nationalist Chinese ruling minority. Yet in the long run it is the 8,000,000 native Formosans who will shape the

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island's fate. We hear very little about their wishes, hopes and fears. One of them, writing in this review recently, noted that there are no independent Formosan newspapers and no recognized Formosan political parties.[1]

Some observers have suggested that the ultimate solution in Formosa may be to hold a plebiscite. As a practical matter, however, a plebiscite would almost certainly be rejected by both the Taipei and Peking governments. We therefore can only guess what most Formosans really want. Several significant facts can nevertheless be cited.

For nearly two generations prior to 1945, Formosans knew only Japanese rule. Although most of them speak the Fukien dialect of southeast China, they were educated in Japanese schools. Because the island prospered, many of them had come to feel closer to Tokyo than to the mainland. But 15 years of Nationalist rule have brought significant changes. Time, proximity and education are creating, among the younger ages in particular, a gradual amalgamation of the island's Chinese and Formosan communities. There may slowly be emerging a new national identity predominantly Chinese by culture but Formosan in outlook.

This process has been aided by several important economic and political developments which critics of Chiang Kai-shek often neglect. Since 1949 the Nationalist Government has taken a series of constructive steps which it failed to take while it was on the mainland. Among the most important is its recognition of the decisive importance of the villagers who, as in all Asian nations, not only constitute the majority but also control the food supply and hence provide the economic and political key to orderly growth. Under Chiang's direction, a reform program which limits land ownership to ten acres and substantially reduces rentals has been combined with a competent rural extension service, easy credit and an expanded fertilizer industry. The result has been a sharp increase in the output of rice and cotton per acre and an easier and more prosperous life for the peasants. Formosan living standards are now the second highest in Asia, surpassed only by Japan.

The internal political situation has also improved since the bloody 1947 uprising against the misrule of a carpet bagging Nationalist governor. To be sure, the national government is still run almost entirely by mainlanders. The Assembly has 1,576

[1] Lí Thian-hok, "The China Impasse: A Formosan View," *Foreign Affairs*, April 1958.

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members, of whom only 26 are Formosans. Yet there has been some progress toward democratic participation by Formosans. In the provincial assemblies and county administrations, for instance, the islanders hold large majorities through reasonably free elections. The mayors of most towns are also native Formosans.

For over 30 years in victory and defeat the Generalissimo has almost single-handedly held the Kuomintang together. But though he is robust at 73 he cannot rule forever. Formosa's future depends on the stability of the government which will survive his passing from the scene.

As long as the United States maintains adequate sea and air power in East Asia, and the will to use it, there is only one way in which Mao Tse-tung can establish his sovereignty over Formosa and that is by a coup d'état which would depose Chiang or his successor and place in power a new island government prepared to come to terms with Peking.

This development is improbable but not impossible. For ten years the 2,000,000 Nationalists on Formosa have been told that sooner or later Chiang's army—backed by massive American military support—would invade the Fukien coast and start the long-promised reconquest of the motherland. An increasing number of them have come to understand the practical impossibility of such a venture. Meanwhile Peking's propaganda broadcasts have skillfully played on their nostalgia and promised them forgiveness for their past sins, a hearty welcome home and even privileged positions in the "new China." At the same time, Peking has offered Formosa a special status as an "autonomous" area.

The persuasiveness of these appeals has been cut, of course, by reports of the way the commune system is working on the mainland and by Peking's actions in Tibet. Yet the pull of the homeland still contributes to the potentially unstable political situation.

On the mainland, powerful totalitarian forces are reshaping Chinese society, remolding Chinese thought, and rewriting Chinese history within the constricting framework of the Lenin-Stalin-Mao ideology.

An independent Sino-Formosan nation can offer the contrast of a modernized non-Communist Chinese society, free from mass regimentation, with an increasing measure of political liberty and with expanding economic opportunities for all citizens. In building such a society the younger generation of Taiwanese and Chi-

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nese can find a common sense of purpose and at the same time supply a cultural base for the 13,000,000 overseas Chinese.

III

How can we adjust our policy to foster such a development?

Let us accept the fact that Formosa's adoption of an affirmative new role in non-Communist Asia cannot be stage-managed by American policy-makers, however well supplied with good will and dollars. Nor can it be arbitrarily imposed on the Formosan majority by the Nationalist refugees from the mainland. Our role must be that of a genuine friend. The native Formosans, the Nationalist Chinese and the world generally must be convinced that our objective is not to create a military base for the invasion of the mainland but to encourage the orderly growth of a new, independent nation.

In this perspective, our exposed position on Quemoy and Matsu makes very little sense. As Secretary of State Herter said on September 29, 1958, in a speech at Atlantic City: "Anyone can see from looking at the map" that these islands "are not strategically defensible in the defense of Formosa. . ." despite the fact that the Nationalist Chinese "have a fixed devotion to these islands which is almost pathological." In spite of this the State Department still hesitates to bring its tactics into harmony with such realities. So long as our position remains unclear we leave the initiative to others and expose ourselves to the possibility, if not the probability, that once again we will face the unhappy choice of retreating under fire or attempting to stand firm on a militarily untenable position.

On the one hand, we should encourage the neutralization of the offshore islands immediately adjacent to the Chinese coast. In their present status they serve only to keep alive the myth that a Nationalist invasion of the mainland is imminent and thereby give Peking a handy excuse for "counter" hostilities.

On the other hand, our assurance that we will offer all-out military opposition to a Communist attack on Formosa itself should be substantially strengthened and extended to include any measures necessary to deter a coup d'état. In the event of such a coup, we should institute an economic and naval blockade to deny the Peking government effective occupation.

It might well take some time for Formosa's position in the United Nations as an independent nation to become accepted.

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Once this happened, its security would be backed by the organization's full guarantees. In the meantime our unilateral military commitment to defend the island must be unequivocal. We can no more abandon the people of Formosa than we can those of West Berlin.

As our military obligations in the area are gradually brought in line with the realities, we shall be able to reduce our military grants substantially. The savings can be profitably diverted into a further expansion of the Formosan economy.

The solid industrial and agricultural base now in process of creation will be a long step toward economic self-reliance. If the resulting economic benefits are directed largely to the peasants and workers instead of to the Nationalist minority already at the top of the economic pyramid, orderly political growth will be further stimulated. Private capital investment in Formosa should also be vigorously encouraged. If the island's independent future could be made more sure, increased capital would become available from Hong Kong.

American policy and American funds should also be directed toward the development of Formosa as a cultural center for non-Communist Chinese everywhere. Substantially increased assistance to Formosan colleges from public and private American sources can be an important first step in that direction. Scholarships for overseas Chinese to study on Formosa as well as scholarships for both Chinese and Formosans to study in the United States should also be increased. Similarly, more fellowships to enable talented American students to follow Chinese studies in Formosan institutions would help create the basis for a new partnership. Despite our long association with the Chinese, too many Americans are ignorant of their history and culture.

Finally, and of the utmost importance, every effort should be made to persuade the Nationalist Government to adopt a more realistic approach to their non-Communist fellow Asians. Formosa's future as an independent nation is tied to the future of free Asia and particularly to those two great geographic and political anchors, India and Japan. Unhappily, many Nationalist leaders have shown nothing but contempt for those free Asian governments which do not share their own doctrinaire interpretation of the world conflict. Instead, they often seem to speak and act on the assumption that a third world war is inevitable and that anyone who fails to agree is a Communist dupe. And, of

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course, such an assumption is basic to the myth of mainland reconquest. A wide gap therefore exists between the Nationalist Government and most of the peoples and leaders of non-Communist Asia. We should do all we can to close this gap and thus diminish Formosa's present political isolation.

IV

Now what of "the other China," the giant on the mainland? Here our field for creative action is inevitably more restricted.

The Chinese Communist Government today is embarked upon a gigantic effort to industrialize its 650,000,000 people on a resource base which is woefully inadequate. There seem to me to be three possible results of this experiment.

The Chinese Communists may be impelled by the harsh economic limitations of their position to modify their policies gradually, reduce their objectives, and seek to relieve their food and other shortages through peaceful foreign trade. In view of their intense, deeply rooted and doctrinaire Communist nationalism this development appears unlikely in the foreseeable future.

A second possibility is that they will seek to re-settle part of their swelling population in the vast expanses of the Soviet Union bordering on China. But a large-scale development of these inner Asian regions of severe and uncertain climate would not be easy, and it is hard to imagine the conditions under which the Soviet Union would accept a great influx of Chinese settlers.

The third possibility is expansion into Southeast Asia, with its wealth of under-populated, food-rich countryside, as well as the great reserves of oil, tin, rubber and other resources which China badly needs. Our objective must be to create a military, political and economic barrier sufficient to discourage any such attempt.

For us to indulge in threats of atomic war would merely frighten the non-Communist Asian nations and further feed the fires of aggressive Chinese nationalism. It is vital, however, that we make clear in temperate language and through diplomatic channels our total commitment to defend Southeast Asia against Chinese attack. And unlike an attack on Formosa, a Chinese thrust southward would also bring into play the existing guarantees in the United Nations Charter.

Ultimately, however, the fate of the non-Communist nations of South and Southeast Asia will be determined by two factors which we can influence only indirectly: first, by their own eco-

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nomic and political stability and by their willingness to oppose any infringement on their sovereignty; and second, by the willingness of the two principal nations of the region, India and Pakistan, to add their weight more and more to the balance against Chinese aggression.

The role of India is of particular importance. Indeed, it is fair to say that an India which is politically stable and developing economically, and which works in harmony with the rest of non-Communist Asia, is the key to the ultimate balance of power in Asia and the Middle East as well. The recent Chinese probings of the Indian border regions have underscored both the significance of India and the dilemma she faces. Nor has the lesson been lost on India's neighbors. Indeed, the attitudes in free Asia seem to be moving closer together in face of the common danger.

By wise and sensitive diplomacy we can contribute to this development. In the military sense, our role should be one of quiet readiness for any emergency, much as the British Fleet gave meaning to the Monroe Doctrine during our neutralist nineteenth century. Our direct economic assistance should give the highest priority to those nations which are willing and competent to help themselves and to devise programs to stabilize raw material prices at levels fair to the producers.

We undoubtedly have the strength to play our proper role in Asia; the question is whether we have the necessary tact, subtlety and flexibility. Let us, to begin with, put aside some of our own doctrinaire preconceptions and examine realistically the complex nature of the Sino-Soviet relationship.

Deep *potential* differences exist between Chinese and Russian Communism as a result of the radically different cultures, experiences and leaderships in the two countries. These are magnified by the fact that the two societies are at different stages of development—the one industrialized, with rich resources and an abundance of land; the other with a shortage in agriculture, inadequate resources and a burgeoning population.

Because of these differences we may assume that the Soviet Union and Communist China view the cold war from quite different perspectives. The Peking government utilizes the present tense situation in East Asia to fan the nationalistic fervor of its people, divert attention from internal difficulties and assure continued economic assistance and military support from the Soviet Union. When Moscow professes a desire to lessen tensions with

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the non-Communist world, there is every reason to believe that Peking tends to pull hard in the other direction.

No outsider can be sure of the present nature or future development of the Sino-Soviet alliance, but certainly it is an infinitely complex and delicate arrangement. The assumption that it is rigid, monolithic and unchangeable is out of date. In view of this, recent efforts of State Department spokesmen to score debaters' points by depicting Mr. Khrushchev as "leader of the world Communist movement" and twitting him for not "keeping China in line" are naïve and self-defeating. Let us realize that Communist alliances as well as Communist nations are subject to the eroding effects of economics, nationalism and history.

Between 1919 and 1933 the United States had no diplomatic relations with the Soviet Union. Yet during that period thousands of Americans traveled in Russia and thereby increased both our knowledge of developments there and the Russian people's awareness and understanding of us. It seems to me that today we should be striving by all reasonable means to establish people-to-people contacts with mainland China. It may be useful as a first step to offer a fresh approach to the exchange of correspondents with Red China. We are badly in need of the facts and perspective that able American reporters can give us, and we have no reason to be embarrassed by what Chinese journalists may see in America.

Such a two-way exchange has been obstructed so far both by Peking and by our State Department. It would be wishful thinking, of course, to assume that our attempts to reopen communications with the people of China will be welcomed by Peking. In many ways, the Communists serve their own interests best by keeping us their Public Enemy. It is up to us, however, to remove all technical obstacles to the travel of correspondents still existing on our side so that responsibility for the continuing communications barrier will clearly rest with Peking.

But the freer flow of news is only the beginning. Educators, politicians, businessmen—all the many Americans who could profit by a first-hand understanding of the Chinese revolution and who could transmit their understanding to the rest of us—should be allowed access to the mainland by our authorities, with reciprocal privileges for the Chinese. A by-product of such contacts would almost surely be the freeing of the five Americans charged with espionage and still held in Chinese prisons.

As I have already pointed out in regard to trade, it would be

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unrealistic at this stage in China's development to expect the doctrinaire Communist government in Peking to attempt to meet its steadily growing food and raw-material needs by major purchases overseas. Yet in the longer perspective it seems clear that China's only practical alternative to an effort to seize the material and land resources of Southeast Asia by force is to embark on a greatly expanded trade program. Since world peace will depend on which road China ultimately chooses this question deserves the most urgent attention of American policy-makers.

Only when we start to move off dead center in East Asia, beginning with the creation and implementation of imaginative policies based on the reality of two Chinas, will we start to exert a constructive influence on the shape of events to come. And as we do so, is it too much to hope that the sheer magnitude of the war danger in East Asia may gradually bring a degree of at least tacit coöperation between the United States and the Soviet Union in that area? Despite our profound ideological and political differences and aims we seem to have a common interest in the development of a less precarious military, economic and political balance of power in Asia.

Nationalist extremists on Formosa will not be happy about the policies which I have suggested, and the Communists in Peking will denounce them violently. The patriotic but quite unrealistic Formosan nationalists who demand that we push Chiang aside and help them to set up their own government will reject them also.

At this point, our policy should be directed toward proving these things to the Chinese Communist leaders: One, we will oppose by all necessary means any movement of theirs into Southeast Asia. Two, we will not allow them to over-run Formosa either by direct attack or by subversion. Three, our military installations on Formosa are not designed to aid or abet a Nationalist attack against the mainland. Four, Formosa is to remain a free entity and all its people should eventually be consulted as to its form of government.

If we adopt these objectives, it is possible that as the prosperity and stability of Formosa become evident the Peking government may grudgingly come to accept the island's independence as one of the facts of life in non-Communist Asia.

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BRITISH LABOR DIVIDED

By Roy Jenkins

IN itself the Labor Party's defeat at the general election of 1959 was not catastrophic. Only about one percent of the electorate changed sides and only 23 seats in the House of Commons changed hands. And the current Conservative parliamentary majority of 100, while substantial, has been exceeded in seven out of the fifteen parliaments of this century. For Labor the seriousness lay not in the size of the defeat but in its position as one of a series. It was the fourth successive election at which the Labor Party had lost support and the third successive election at which the Conservatives had won a majority. No previous British party had performed this feat of winning three well-spaced general elections in a row since the beginning of modern politics in 1832.

There were two other features which gave an additional seriousness to the Labor defeat. The first was the absence of any obvious extenuating circumstances. The party was well led, and peculiarly free from internal quarrels. The Conservatives, on the other hand, faced the electorate at the end of a Parliament during which the collapse of Sir Anthony Eden and of his Suez policy had temporarily reduced their public prestige to what seemed the point of no recovery. The second feature arises from the categories of people who are thought to have made up the swing away from Labor. Most evidence suggests that they came from the younger half of the adult population; from the better paid wage-earners; and, above all, from those who, in addition to fulfilling these two qualifications, had also achieved better housing conditions (often as a result of a public project) away from the centers of crowded industrial cities. This analysis adds seriousness to the Labor defeat because by the time of the next election the number of people in all three of these categories is likely to be greater rather than less. There will obviously be a new crop of young voters (and a further depletion by death of Labor's older supporters). Unless a severe slump is postulated, wage levels will continue to rise. And population will continue to move to new ambitious housing estates. Other things being equal, therefore, it certainly cannot be assumed that October 1959 was rock bottom for the Labor Party.

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In these circumstances the possibility that the Labor Party has entered a period of permanent decline and may never again be capable of forming a government cannot be automatically excluded. Two general considerations could be mobilized in its favor. The first is the extent to which the British Parliament is organized upon the assumption of frequently alternating governments. As a legislative assembly the House of Commons is a remarkably ineffective body. Such vitality as it possesses is based upon its role of sustaining one party in power and preparing the other for taking over at an early date. If this looks unlikely, the working of the whole system is undermined. A party with little prospect of office finds it difficult to be a major force in Parliament and is likely in consequence to suffer from an accelerated momentum of decline.

The second consideration is that British left-wing parties have always been subject to decay and replacement. The Conservatives have been much less self-destructive and have successfully adapted themselves to social and franchise changes which resulted first in the replacement of the old Whig Party by the Liberal Party and then in the destruction of the Liberal Party and its replacement as a major force by the Labor Party.

Is the Labor Party's position now about as vulnerable as was that of the Liberal Party in 1918? Despite the general considerations mentioned above, the answer must, I think, be "no." But this is attributable more to the absence of any effective alternative left-wing party than to the health of the Labor Party. In 1918 when the Liberals were fatally weakened by the Asquith-Lloyd George quarrel and by an unresolved contradiction in the center of their home policy thinking, Labor was already a thrusting challenger, waiting in the wings ready to take over. Where is such a challenger today? The Communist Party is as sterile as it is small and, like any other group to the left of the Labor Party, is hopelessly at variance with the movement of electoral opinion.

What about the Liberal Party itself? Is there a possibility of the wheel going full circle, and that which was once replaced now replacing? This looks unlikely. Given the poorness of the Labor result at the recent general election, the Liberal performance was also extremely disappointing. Neither then nor subsequently has the Liberal Party shown any sustained power of revival. Nor is it likely to until two major weaknesses have been overcome. The first is the split between the agreeable, civilized

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radicalism of Mr. Grimond and his immediate colleagues on the one hand, and the outlook of large numbers (perhaps the majority) of Liberal voters on the other. Many of these are more "Poujadist" than radical and vote Liberal merely in order to express a general discontent with the existing political system. Before the Liberal Party could become a major left-wing political force it would have to shake many of them off. To this extent even its 6 percent vote exaggerates the strength of the true Liberal base.

The second weakness is the traditional contradiction which confuses the Liberal Party's whole approach to home policy. Is it the heir to the unrepentant economic individualism of Gladstone and John Morley or to the "constructive radicalism" (as Gladstone himself rather incredulously called it) of the early Joseph Chamberlain and of Lloyd George? Failure to resolve this central question was a great weakness to the party in the years of its decline in the 1920s. It is an equal weakness today, and one which means that Liberal views on a vital segment of policy do not merely show reasonable variation but are spattered over the whole political spectrum in a way that could not be endured if it were a party of government and not merely one of protest.

The future of the left in Britain must therefore still lie with the Labor Party. No other force looks remotely capable of beating the Conservatives within a generation. Either it must make itself more capable of winning than it was in October 1959, or Britain must reconcile itself to one-party Conservative Government for a long time to come.

In these circumstances it might have been expected that the whole Labor Party would have responded with enthusiasm to any attempt to improve its vote-attracting appeal. Instead, Mr. Gaitskell's relatively mild attempt at the Blackpool Conference to lead the party away from some of its electoral liabilities has provoked more opposition than he has known at any time since he became leader in 1955. It required Mr. Aneurin Bevan, some commentators suggested, to save the day for the leadership by throwing over Mr. Gaitskell the protective gloss of suggesting that he had not really intended a new departure. And Mr. Michael Foot, firing much lighter ammunition from a position well to the left of Mr. Bevan, had since come out with a direct challenge to Mr. Gaitskell's leadership. The Labor Party, Mr. Foot has said, should reject Mr. Gaitskell's proposal that its con-

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stitution should be rewritten; and when rejection takes place, Mr. Foot continues, Mr. Gaitskell's only honorable course would be to resign.

Although confronted with this opposition, Mr. Gaitskell has shown not the slightest desire to call off the fight. It therefore becomes important to see exactly what ground the battle is to be fought over; to understand why there are powerful forces drawn up against Mr. Gaitskell; and to make a judgment about the likely outcome. On the face of it, a party constitution does not seem the most obvious of the factors conditioning its impact upon the electorate. But decisive battles have often been fought over rather narrow and obscure strips of ground, and this is likely to be the case here. The Labor Party constitution dates from 1918 and was drawn up by Sidney Webb. Clause 4, which is the center of controversy, commits the party to "secure for the workers by hand or by brain the full fruits of their industry and the most equitable distribution thereof that may be possible, upon the basis of the common ownership of the means of production, distribution and exchange, and the best obtainable system of popular administration and control of each industry and service." At Blackpool, Mr. Gaitskell did not put forward an alternative draft, but he gently suggested that this clause was both inadequate and misleading. It was inadequate because it did not mention a wide range of the party's other objectives—international, colonial, social, educational, libertarian. Few would disagree with him about this. And it was misleading because it suggested that the party wanted to nationalize everything, which was not true. Many more, however, while they are probably not in favor of wholesale nationalization, are unwilling to accept the implications of saying clearly that they are against it.

To understand these implications it is necessary briefly to trace some of the history of the nationalization issue. In the 1920s, following the adoption of the Webb constitution, the Labor Party was nominally in favor of wholesale nationalization, but most of its members would probably have been well-satisfied if they could have brought the coal industry under public ownership. Certainly neither of the minority Labor Governments came near to achieving as much as this. After the defeat of the second in 1931, and the defection of MacDonald, many leading members (including Attlee and Cripps) temporarily adopted a cataclysmic view of social progress. Advance would be possible only in

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conditions of crisis, and would require emergency powers and the rapid seizure of all key industries. By about 1934 this mood of pessimistic extremism had worn off and the party turned instead to a limited statement of nationalization priorities. The "Immediate Program," adopted in 1937, committed the next Labor Government to a transfer of ownership in coal and the public utilities. By 1945 the steel industry had been added to this list, and the program on which the election of that year was fought was therefore extensive, but at the same time quite sharply limited. Despite its extensive nature, however, this program was all given legislative shape by 1950. The Labor Party then looked around for industries which could constitute the next list. It had justified its public utility nationalization, not by arguments about a socialist commonwealth, but on efficiency grounds largely *internal* to the particular industries. And most Labor M.P.s at this stage believed that they could continue in this way in the future. The list of candidates for nationalization could be replenished indefinitely, but the approach and the justification would remain pragmatic.

This proved an illusory belief. It has not been possible to produce lists of industries which carried remotely the same degree of conviction as did the old 1937–1945 group. A rather peripheral list containing cement, sugar-refining and meat-wholesaling was put forward at one time and then dropped. A proposal to nationalize industrial insurance ran into difficulties with the Coöperative Movement (which itself ran a thriving insurance society) and met the same fate. So did a plan to nationalize a large segment of the chemical industry. Here the main difficulty was that the employees seemed unanxious for a change. After this somewhat depressing history the Labor Party faced the electorate in 1959 with only two specific nationalization proposals in its program—those for the steel and trucking industries, both of which had been brought under public ownership by the Labor Government but had subsequently been denationalized by the Conservatives.

Labor candidates at the last election were not therefore putting forward much dogma. But what their program said and what the electorate believed were not necessarily the same thing. Nationalization, it can hardly be denied, has not been popular with the general public. All the nationalized industries have been managed at least as efficiently as they were before the transfer of ownership, and some—power, atomic energy and the two airline

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corporations—have been considerable technical successes. But they have all suffered from the public dislike of the large-scale monopoly, and the two biggest nationalized concerns—coal and the railways—have suffered in addition from being problem industries; they were in an appalling state of decay before they were taken over. The railways, making much the most widespread public impact, have been prevented by their shrinking revenues from offering either a good service to travellers or a good rate of pay to the employees. Nor is there much evidence that public ownership has produced a new spirit and a new sense of service in industry. The Conservatives have not been slow to play upon these difficulties. Recognizing that they had fertile soil to cultivate, they have devoted great sums of money both to fostering the public suspicion of nationalization and to portraying Labor as a party of rigid doctrinaires who would never rest until they had popped almost every industry into the bag. The contradiction between the party's moderate proposals and its extreme theoretical position (as expressed in its constitution) greatly weakened its capacity for self-defense against this form of attack; and there can be no doubt that many of those who voted Conservative in October did so in the belief that the alternative was wholesale nationalization.

The problem for Mr. Gaitskell (and a sine qua non for electoral victory, I would judge) is that of breaking this false connection in the public mind between Labor and dogmatic, wholesale nationalization. He could have tried to do this by abandoning the steel and trucking proposals and giving a firm undertaking that the Labor Party was prepared to accept for an indefinite period the sanctity of the present frontier between the public and the private sectors of industry. But such a change would be impossible to carry through the Labor Party. It would also be undesirable in itself. It would tie the hands of a Labor Government in a way that neither Mr. Macmillan nor Mr. Grimond would wish to accept for their own parties. It would make Labor the one party which could never use the weapon of nationalization against an inefficient industry, however strong the practical case for such action was shown to be. It would also preclude a Labor Government from any experiments in non-monopolistic public ownership—either by taking over a particular firm and running it in competition with the rest of the industry or even by the public purchase of common stock. It would also lay the party open to

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the damaging charge that it was willing to accept any fetter on its beliefs provided that power and office could be obtained in exchange.

The alternative method, and the one which has been chosen, is that of making a symbolic change in the constitution. This involves no excessive trimming of the party's sails to the electoral wind, for it would merely amount to bringing the theoretical position into line with what has long been the practical position. And, on grounds of intellectual honesty alone, this is always a good thing to do. It would mean an explicit statement that the party accepts a mixed economy, but that the proportions of the mixture can be argued about on the merits of particular industries. Nationalization would not be thrown out of the window, but it would be put in its place as one of a number of alternative means to more important ends, and it would be freed from much of the obfuscating passion which at present surrounds its discussion. And the Labor Party's position would be more difficult to misrepresent because it had brought its own statement of basic beliefs into line both with its recent practice and with the assumptions of all the important theoretical socialist writing in Britain of the last ten years.

Even this limited change is arousing strong opposition, however. Few of Mr. Gaitskell's leading colleagues have yet given him public support on the issue, and several have let it be known that while they are in favor of his person as leader they are against his policies for giving the party a more attractive image. Why is this? As normally ambitious men they can hardly want to see their party permanently excluded from power, and they can hardly be confident of achieving this without a facelifting. This is subject to the proviso that they do not expect a severe and sustained slump. Were this to occur, and were the Government to be forced into a general election while still in its trough, even an unreformed Labor Party would no doubt be swept into power on the wave of discontent which would be created. But how likely is this? Mr. Gaitskell's view at Blackpool was that while recessions will no doubt occur and while the rate of growth under the Conservatives will probably remain sluggish, the first point will be neutralized by the Government's ability to choose the date of the election, and the second is in no way incompatible with the standard of living continuing to rise. Those members of the party who cling to a more old-fashioned analysis of capitalism obviously rate

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higher the chances of a major slump. But even they are now somewhat unconfident of the date of its arrival; and they are also a little uneasy as to whether the constant anticipation of a slump is the most forward-looking attitude for a major progressive party.

This is the first factor dividing the "Gaitskellite" analysis from that of some others in the party. The "Gaitskellites," while seeing plenty of other disadvantages to it, are more prepared to recognize the stability of the present economic order. There are several other factors as well. To many active supporters of Labor the principle of full public ownership is a sort of emotional raft. And when the surrounding seas are as chilly as they have been since the general election, these supporters are still more inclined to cling to it. The significance of this is increased by another aspect of the party's constitution—by which its leading spokesmen are elected by a continuing series of popularity polls. There is the annual election for the Shadow Cabinet in which all Labor M.P.s take part, and there is the annual election for the party's National Executive Committee in which all constituency parties take part. The leader himself is also subject to annual election, but he is not normally challenged, and even if he were, the upheaval which would be involved in his defeat gives him a certain security. But this does not apply to his captains. For them to drop a few places in the elections for the Shadow Cabinet or the National Executive, or even to be defeated altogether, would involve no great upheaval. Where a long list gives a wide choice they do not even have to be voted against. People have merely to forget to vote for them. As a result, there is a constant tendency for nothing to be said that will offend possible support. Some are of course more courageous than others, but the whole system has a built-in bias towards caution.

The third factor accounting for the opposition to Mr. Gaitskell is the inherent defeatism of the left. The will to power has always been much stronger in the Conservative Party. There it is something to be pursued at almost any cost. The Labor Party has quite rightly had a different order of priorities, but its danger is that of going too far in the other direction and thinking that it is unsocialist and even immoral to desire power. One effect of the election result was to encourage that aspect of the party's outlook which has always both expected and accepted defeat; and there have been some signs since of a throwback to the old Independent

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Labor Party approach of believing the best thing in politics is to be a happy few battling against intolerable odds. Some of those who refuse to follow Mr. Gaitskell's finger when he points to a better electoral prospect are not concerned with whether or not he is pointing in the right direction. Consciously or subconsciously they do not want him to point at all.

The fourth center of resistance (there is great overlapping of course) has a more intellectually respectable base. This involves looking at the rapid economic growth of the Soviet bloc on the one hand, at the relative stagnation of Britain and the United States on the other, and then asking whether this is a moment for the Labor Party to moderate its faith in public ownership. Over the past few months this argument has replaced the "inevitable slump" approach as the intellectual mainstay of the Labor left. It obviously begs several questions (whether the Russian rate of growth is not more geared to an authoritarian division of the national product than to ownership; whether West German dynamism is not more relevant to Britain; and whether the achievement of a popular program is not a prior condition to the Labor Party having any influence on Britain's rate of growth); but its current attraction should not be minimized.

The fifth cause of opposition is the fear that the Labor re-adjustment symbolized by Mr. Gaitskell's constitution change would make it into a sort of junior Conservative Party. Politics would lose their cutting edge, the *immobilistes* argue, and such a situation would necessarily be unfavorable to the left. So it would be, but the belief that it would follow shows a failure to understand the electorate's boredom with nationalization. The nationalization issue now has a cutting edge for use only *within* the Labor Party. As a weapon against the Conservatives it is hopelessly blunt and its retirement would stimulate rather than impair political energies. Politics could then increasingly be about the genuinely important issues of today and tomorrow: of Britain accepting her new place in the world; of colonial freedom; of whether, as the country grows richer, this new wealth is used exclusively for individual selfishness or whether community services get their fair share; of whether the existing class rigidities of English education are allowed to persist; of whether the present anarchy in the use of land is reversed sufficiently quickly to prevent the permanent destruction of the amenity of life in an island as overcrowded as Britain; of the right of the individual to live

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his private life free from the intolerant prejudices of others or the arrogant interference of state and police; and of whether the abuses and inefficiencies of contemporary private industry can be exposed and destroyed without offering as an alternative only the too massive deterrent of an indefinite extension of public monopoly.

The settling of the constitution and nationalization controversy would thus free the Labor Party's energies for a concentration on the issues which appear much more relevant to the modern electorate. "The narrow strip of ground" therefore becomes symbolic of the party's whole attitude to the world of the 1960s. Can it adjust itself to conditions in which the numbers of blue-collar workers are steadily shrinking; in which modest prosperity becomes increasingly widespread and memories of mass unemployment increasingly faint; and in which mass consumption and rising standards makes a "class" appeal steadily less powerful? Or will it turn inwards, attach itself more closely to dogma and await with growing disappointment the slump which does not come?

The issue only has to be stated in these terms for the strength of Mr. Gaitskell's position to be appreciated. Despite the five forces arrayed against him he has firmly on his side the most powerful one of all—the steady movement of social forces in Britain. He has also his own determined and persuasive personality, the prestige of a party leader, and the good sense which the Labor Party has often shown in the past when firmly confronted by an issue. But it will be a hard battle, the outcome of which cannot be certain. The first and most decisive stage will be over by October of this year. If Mr. Gaitskell wins that he should win the others too and be in a position to lead his party to victory in 1964.

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THE POLITICAL DILEMMA IN LATIN AMERICA

By Frank Tannenbaum

THERE have been changes in Latin America in the past generation which have complicated and obscured the political scene without really changing its character. The spread of doctrines such as Nazism, Fascism, Socialism and Communism, and their adoption as party names, has given foreigners and even some culturally Europeanized nationals the impression that something strange has happened, that what was always a personal phenomenon in Latin America had become a matter of ideals—that the party, the ideology, has displaced the individual, that the slogan is more important than the leader, that law is now of greater significance than personal influence, that matters of principle now substitute for friendship, family and political clan. Those who have let themselves believe all this have simply lost their bearings and are reading their politics out of a European book and calling things by false names.

The one thing that has not changed has been the *caudillo,* the leader, he who has *la suma del poder,* who governs because he can, not because he was elected. There are many differences between Fidel Castro and Trujillo, but there is one thing in common between them: they govern because they can. The fact that Trujillo has himself elected and always receives 100 percent of the vote while Fidel Castro has had no election is irrelevant except as embroidery, or something that gives apparent sanction, or that satisfies critics in the United States or England who do not really appreciate what is going on. And what is going on has always gone on—if "always" is the wrong word, then we will have to say "what has gone on for a very long time." Leadership is personal. The basis of authority is customary rather than constitutional. The political unit is not the individual. It is the "gang," the extended family, the community, the Indian village, each with its own "natural" leader, each endowed with unlimited authority, each possessing the complete loyalty of his immediate followers.

The great leader by some magic, fraud or force has at his disposal all this power, which in his absence devolves to the local leaders. And because he has it, his power is absolute regardless of what the constitution may say. The power is absolute because it

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is all deposited in one person and he cannot divide it, delegate it or refuse to use it. As a matter of simple fact, he cannot resign it —as Fidel Castro could not resign from being the "maximum leader of the Revolution" in Cuba. He could resign his office of Premier, but not his personal authority. The *caudillo* governs by his mere presence, and anything he says is an order; and if he refuses to say anything at all, then others will act in his name on the assumption that they are carrying out the orders he would have given, and he will be credited with them. The king could abdicate in favor of the legitimate heir to the crown. In Latin America the leader cannot abdicate because there is no legitimate heir to his power. When the successor appears, the power of the older leader evaporates. The power cannot be shared. It is absolute or it does not exist.

The case of Fidel Castro is particularly revealing. Cuba is not typical of Latin America. The Indian influence is nil. The Negro, on the other hand, is important in numbers, but more so even in over-all influence. The Negro has given the Cubans a gentle, friendly and optimistic attitude towards life. He has tended to emphasize the importance of the moment. He has filled the land with music, the drum and the dance. Cuba, too, is close to the United States and our impact upon Cuba has been great—greater perhaps than either they or we realize. There are therefore many reasons for arguing that politically Cuba should be less Latin American than it has shown itself to be. For what it has shown in Fidel Castro is that it likes to have a *caudillo* who stands above the law, above the constitution, because all authority, all justice, all good emanate from him.

The differences between Fidel Castro and Batista are many and great, but as administrators they both respond to the same demand, the same way. Batista was secretive, cruel, selfish and acted for himself and a small clique. But no one doubted who exercised the power. He depended upon the police and the army, and his power was absolute. All constitutional formulas were secondary. Fidel Castro uses the radio and television; he is devoted to the ideal of nationalism and a strong Cuba. Administratively, like Batista, he stands above the law, above the constitution, for he embodies them both. The uses the power is put to are different. The totality of its lodgement in a single hand is the same.

The power is put to different uses because the individual leaders are different and not because the "party" which carried them

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to power is different. In fact, there was no party in Batista's case and there is none in Fidel Castro's case. The Cuban people have Fidel Castro because they want him. They had Batista because they tolerated him—perhaps, until the last two years, wanted him—not because he was "good" or constitutional, but because he was strong, because he was a *caudillo*. If they finally overthrew him (and the active fighters against him were never very numerous) it was because he had become a tyrant, because he was misusing his power beyond reason, beyond the wide tolerance of human fallibility so characteristic of Latin America. He had lost what moral sanction he might have had or claimed. His overthrow by a revolution was accepted as good and the leader of the revotion was greeted with an outpouring of public joy.

It is difficult for people outside Latin America to understand the reasons for these repeated changes. They know only that Latin American governments are unstable, that revolutions are frequent, that tyrannies are a commonplace and occasionally, as the recent one in Colombia, bloody and heartless, and that constitutional government has remained an unsatisfied aspiration. This has now been the case for nearly 150 years and there is really no evidence that, politically speaking, the countries are closer to representative democracy now than they were in the nineteenth century. There are exceptions to these broad generalizations, but they are few and even so would be subject to qualification.

The pattern of dictatorship, then, is rebellion and again dictatorship, and it has not materially changed since 1900. Anyone who would make a count of the abortive uprisings and the rebellions that were successful in the last 59 years would convince himself that if there has been political change, it has not necessarily been in the direction of greater stability. This is so in spite of an almost universal commitment to the ideals of democracy among Latin American intellectuals and statesmen. Students, scholars, newspapermen and politicians have written an impressive public record in their striving for political democracy, and every constitution describes in detail the manner in which popular governments are to come to power, how long they are to last and how they are to be succeeded by another administration freely elected and resting upon the consent of the governed.

This contrast between what men say they want politically and what they do cannot be ascribed to malice or perfidy. That would be too simple. If the political difficulties were merely the product

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of evil intent, they could be dealt with. Politically active people in Latin America are on the whole neither better nor worse than their kind in other parts of the world. The trouble lies somewhere else. Politicians do what they do because they have only limited alternatives and it is not always clear that choices other than those they make would always be better.

II

The social and cultural matrix within which the politicians operate is such that popular democracy is not a feasible immediate alternative. The only really responsible question that the democratically minded observer can ask of a politician in Latin America is whether his conduct is conducive towards an increasing prospect of popular democracy, and an honest man would find it difficult to give an honest answer. For how can one be sure that the professed idealist in his enthusiasm for reform, in his stirring the passions and hopes of simple folk beyond his own ability to satisfy them, may not be sowing the dragon's teeth and preparing the ground for some conscienceless tyrant tomorrow, who will make all promises and fulfill none? The difficulty lies somewhere else. It is not personal. It lies in the absence of a universally accepted symbol of political authority. That is why Latin American politicians cannot do what they would and lack the moral support to carry out the programs they do have in mind.

For the business of government is to govern. That is the first responsibility. If it fails at that, then the politicians in office will soon be fleeing the country and seeking exile in places where they will have no relentless responsibilities to fulfill. But to govern in Latin America is an unusually difficult matter.

General Lazaro Cardenas once remarked that the people of Mexico must learn that they can be governed without violence. Cardenas, however, had qualities of leadership which made violence unnecessary. He could govern Mexico that way but no one else had been able to do so before him. Violence has been an essential in Latin America because the governments have been unstable, and the governments have been unstable because violence is a traditional means of coming to office. And violence is traditional because there has generally been no other sure means of transferring political power from one administration to another. Here is the heart of the matter: how to come to power without violence, how to transfer it without revolution.

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In other parts of the world which are familiar with the political miracle of entering upon and leaving public office peacefully, there is some universally accepted principle of legitimacy. A universal symbol makes the government of today just as much a government as it was yesterday in spite of a complete change-over in personnel. The king is dead, long live the king, is a perfect example of this kind of symbol of authority. As long as the accepted principle of descent is adhered to, there is never any question as to where authority resides and to whom the crown descends. The government is never without a recognized head. Everyone knows who the king is. No such universally accepted symbol exists in Latin America.

During the colonial period the question of where legitimate power resided never arose. The king was the king in all things and at all times. People might have notions about the wisdom, the stupidity or even the lunacy of the king or queen, but none about the legitimacy of the power he or she exercised. So universal was this acceptance that it seemed like a part of nature itself. Men had laid down their lives for "God and the King" for so many generations that the king's "divine" authority was beyond question. He filled every political and civil need and his law protected the innocent and punished the guilty. All offices, all honors, all men, all property, life itself were under his protection and held by his mercy. Even the church, because of the *Patronato,* was in many important ways subject to the king. The authority of the crown was everywhere, unquestioned and unopposed. The two things that were known even to the most humble were the power of the king and the mercy of God. It was therefore always simple to transfer power as long as the rules of succession were followed. The future king was known while the present king was still alive.

It is at this point that the independence movement served the people of Latin America poorly. It destroyed legitimate political power without providing an equally legitimate substitute. When the wars of independence were over, no one knew where political power resided. Who was the legitimate heir to the King of Spain —to his authority, influence, prestige, semi-sacred character, the embodiment of the will of the people, the protector of the poor, the fountainhead of justice?

The answer, of course, is that no one inherited those qualities of popularly endowed eminence; no one received the same degree of devotion from the populace and no one was looked to as the

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absolute father of his people. Latin America was left without a legitimate symbol of political authority. And that vacuum has remained unfilled. It has not been filled by "democracy," "federalism," "socialism," "Communism," "justiciatism," or whatnot. The idea of the nation comes closer to being a substitute for the idea of the king than any so far. But nationalism in Latin America is relatively recent and many of the nations lack cultural unity. A considerable part of the population, the majority perhaps, in Guatemala, Peru, Bolivia and Ecuador, for instance, have but the vaguest notion of what the nation means. There is the other difficulty that nationalism has taken an anti-foreign turn and has become a slogan for demagogues and ambitious politicians. More serious, however, is the absence of a fixed rule of who is to represent the nation and how he is to be chosen.

The constitution has proved an insufficient influence to guide the political process. There have been too many constitutions and they have been disregarded with such regularity that they do not serve to discipline political behavior. In fact, the constitution has frequently been a personal political broadsheet used by the new *mandatario* as his own private declaration, and since it is private it need not be scrupulously followed. What ought to be protected and guarded as the embodiment of all public law and public will has become a matter to be changed, modified, suspended or abolished. What might have become an effective symbol of authority as a substitute for the awe-inspiring bearer of the Spanish crown has been perverted to personal use.

An American scholar tells the story somewhere that when as a young man he went to Venezuela to study its constitutional history, people in Caracas, when they learned of his purpose, said, "Why, he must be a poet!" The constitution in their mind had a literary, conceivably a theoretical interest, but certainly not a political one. The 19 constitutions that he studied showed no evolutionary principle and could not be classified on any rational basis. He finally grouped them under various rubrics including that of experimental constitutions. All of this merely goes to emphasize the point that there is no recognized basis of political authority universally accepted and universally respected. What does not in fact exist cannot be symbolized. This, however, is only one part of the difficulty.

Independence abolished the monarchy but retained what is natural to a monarchy—centralism, authoritarianism and

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aristocracy. These characteristics remained because the revolutionists were themselves reared in the Spanish tradition and knew no other. Centralism, authoritarianism and aristocracy were a part of life itself and no other way was known to either the leaders or the people.

Aristocracy was affected only in the degree that the Spanish aristocrats departed while the local *criollo* with his claims to nobility remained; and below him were the merchants, farmers, *mestizos, castas,* free Negroes, Negro slaves and Indians. To all appearances, nothing had changed socially except that a few *mestizos* had worked their way to public notice by their part in the Wars of Liberation and that a number of Negro slaves had been freed because they had been drafted into the revolutionary armies. Beyond that, the hierarchical structure survived more or less intact in most places throughout the nineteenth and in some areas to the middle of the twentieth century.

Natural to the hierarchical structure, too, was the survival of authoritarianism and administrative centralization. The existence of slavery, the survival of Indian peonage, the universality of the hacienda and the important role of the military all contributed to the maintenance of a political system which did not know how to share or divide political authority.

The contrast between an authoritarian and democratic society lies at this point. A democratic society finds it natural and logical to divide and distribute political authority in many places. No one person or institution is possessed of all the authority of the state. Quite the contrary, in an authoritarian society, political authority is indivisible.

The president is all powerful but he has no heir. There is no effective machinery for transferring political power. And this is the most serious crisis facing the elected chief executive. If he does not decide who the next president is going to be, then he is sure to face serious difficulties. For someone is going to make that decision and anyone who can do that is stronger than the president. The chief executive soon discovers that all of his power has ebbed away and is now in the hands of him who was able to pick the next president. The prospects are that a revolution will be inevitable unless the occupant of the presidential chair is completely pliant. There is a story about Ortiz Rubio which does not have to be true to be important. The fact that it could be told and believed is sufficiently revealing of the political

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process in an authoritarian and centralized tradition. The story is that Ortiz Rubio heard on good authority that General Plutarco Elias Calles was going to start a revolution against him. Ortiz Rubio called General Calles on the phone to inform him that he, the president, was going to join the revolution against the government. If, on the other hand, the president decides upon his successor and can make the decision effective, he still has the prospect of revolution against his decision. He is surely going to be accused of imposing the next president against the will of the people. Where there is no institutionalized and universally acknowledged basis of public power, then violence becomes a "natural" means to public office.

In the Spanish tradition, however, political authority requires a moral basis. Power over other people is something that can be exercised only with divine sanction. It must have a moral basis and serve moral ends; otherwise it cannot be considered legitimate. Violence is not the route to legitimacy even if it is successful. The dictator, even when in office, even when he imposes obedience by terror and cruelty, will be held to have no moral basis for his authority. That explains the frequent resort to elections by dictators who have come to office by violence. If they hold an election they will become legitimate in their own minds and, they believe, in those of the populace. The old saying that the will of the people is the voice of God is here taken literally even if the will of the people has to be invented before it can be recorded. But such instances (and they are numerous, if not as extreme as in Santo Domingo) merely illustrate that even the tyrant is seeking a moral basis of power because sheer violence even if successful does not legitimize public office.

The dictator will be obeyed of necessity and opposed secretly or by conspiracy on the grounds that his power is immoral and tyrannical. The opposition may ultimately triumph as it did in Venezuela, Argentina, Colombia and Cuba. As soon as the revolution is over and the tyrant is no more, the old dilemma reappears as "The king is dead—who is the king now?"

Who shall be the next—what? Not a tyrant, not a dictator surely. Who shall be the next executive who will exercise all power but will remain a democrat, a gentle human being who will have all the power of the government without restraint, without limit, but will not use it to evil ends? He cannot divide his authority or delegate it. The populace will not permit that.

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The president must be president. On that point there is general agreement. But on what ground does he become president? How does he achieve power? How does he retain it? What is his mandate? Who is he responsible to? To these questions there is really no answer because there is no institutional basis for the political process. There is no prerequisite which determines how the candidate for the highest office is to be chosen, how once designated he is to be selected, how once selected he is to remain in office for the period set by the constitution. Nor is there anything absolute and sacred about how and to whom he is to transmit power when his legal term of office draws to a close. These questions had to be faced recently in Argentina, Colombia, Venezuela and Cuba and in none of them is the answer irrevocable; in none is the occupant of the highest office certain of his post or certain that he can transmit it peacefully at the end of his term.

In Argentina the question of whether President Frondizi will be allowed to terminate his period will be determined by the military, and unless they can be satisfied he will be deposed. He came to office by denying the vote to a large percentage of the electorate. In Venezuela the arbiter of the political fortunes of Betancourt is again the army. Here, too, the army overthrew the previous régime and held the office until it was occupied by a civilian. The case in Colombia is different, in the sense that the revolution was made by the people while the army remained neutral. Again, however, an army junta took over office until a civilian could be chosen. This became possible only by an agreement between the Liberal and Conservative parties for alternate terms in the presidency. This arrangement had great political merit at the moment but changes an old tradition that each party had to win power on its merits. Whether the arrangement can survive is dubious and the alternative is civil war. The Cuban answer to the question is the emergence of a popular *caudillo* in place of a military dictator. But none of these solutions is perhaps more than transitional. None has an institutional basis such as a political party system would provide.

In the absence of a political party system, the president must be his own party and maintain himself in office by his own ingenuity and political skill, by dependence upon the loyalty of his immediate followers, by compromise, blandishment and, if these fail him, by force and fraud. What this really means is that the president is not only the chief executive but also the most

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active politician, almost the only politician. For under the circumstances no one else may be allowed to have political influence. Politics is the act of keeping your political enemies from depriving you of the presidency. What is really involved is not your policy but your power. Under the circumstances, the government must do everything because every act has political significance and no one but the president can indulge in political activities. When the power of the government is in daily question, every public act, no matter how small, has political implications.

Any activity which the president does not control is a threat to his influence. He can have power only if he has all the power. If any escapes him, all of it will. This is so because his power is not institutionalized but belongs to him personally. The government is his government. He conquered it. He must be the whole government, executive, legislative, judicial. Never mind what the constitution says. The constitution is not the instrument of government. It is only the name in which the government is carried out. The president must be his own head of the army, his own cabinet, and in these days of planning he must be his own planner. He must be all of this because he cannot delegate really effective powers to anyone else. He governs without a party. There are only the president and his friends, and his friends must be real friends—unconditionally, who will take orders and do what they are told, politically speaking.

The tradition of centralization and the absence of effective party organization define the role of political leadership. The leader must do everything, have the answer to all problems and the remedy for every ill. Jose Antonio Paez once wrote to Bolivar: "I do not know why, but the people bring me all their problems, how to build a house, whom to marry, how to settle a family dispute, and what seeds to plant." He was their leader because they turned to him in need, expected to be helped. If he had refused to listen he would soon have lost his leadership. This dependence upon the leader converts the ministry, cabinet, legislature and courts of justice into his appendages. The poorest citizen refuses to abide by a decision of any intermediate and will take his case to the president personally.

Under the circumstances, there are no bases either for democracy or monarchy. It is interesting to recall that Bolivar recognized that the American milieu would erode any monarchy

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established in America. He was equally skeptical, after much experience, that the former Spanish colonies would lend themselves to democratic government. In his disillusionment he predicted that America was ungovernable, a prophecy that proved itself true in many places over a long time.

For one thing, the government seems foreign and the law it enforces looks like an imposition. This was true in the colonial period and has continued to be true since. In the colonial period the government and the law were foreign in the literal sense of the word. In spite of their best intent, the officials of the crown remained Europeans and Spaniards, with the natural consequence that the law they wrote reflected their local allegiance and training and remained an empty gesture. The good intentions written into the law proved unenforceable. The law was one thing, the customary ways another.

It is a well-attested story that no ship reached the Port of La Guira in what is now Venezuela for a period of 11 years, and yet, miraculously, the cocoa of the country was regularly exported and the king's officials wore good English cloth. The export of American treasure and the import of European goods were indeed to so large an extent in the hands of smugglers that effective rule in such matters lay outside the reach of the law. Customary ways and legally prescribed rules existed side by side but unknown to each other, so to speak. This is but part of the story. For in addition to the popular disregard of the law by the officials and the *criollos,* there was the much larger Indian community which did not know the law or understand those who tried to enforce it. The Indian had his own ancient ways of determining right and wrong. The European colonial community was extraneous to the large mass of the population which remained linguistically and in most other ways beyond the effective reach of the government. Where the officials succeeded in enforcing the written precept they did so as outsiders, as antagonists, as enemies. The government, its agents and officials belonged to a different world. The state for which the government acted was an arbitrary something beyond the ken of the Indians and in some sense beyond the acceptance of even the Spanish colonists and their descendants.

This Spanish tradition of a government apart from and strange to the people has survived in Latin America to this day. The "elected" official government is not part of the real substance of custom, common law and local order. The locality follows local

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traditions and the representatives of the "government" collect taxes and chase smugglers if they can. The government was not chosen by the people and does not represent them. This is obviously true of areas where there are large Indian populations, which govern themselves to the extent allowed by the "official" government. The same may be said about large Negro communities and areas. Government here, too, is foreign and local order is made by custom and tradition. In their degree this is true of the regions where the local *caudillo* is the real ruler of the area and the "government" a tolerated but suspected meddler in things beyond its "legitimate" jurisdiction. The people in Yucatan, Cuzco, Cartegena or Amazonas have never been converted to the idea that the governments in Mexico City, Lima, Bogota or Rio de Janeiro are their governments. This is true of the *mestizo* and *criollo* and especially true of the Indian and Negro. Political instability and political revolutions are preoccupations of the central government.

At the local level there is little instability for on the whole the same people will govern because the effective loyalty and power are theirs regardless of who is the new president of the country or who are his agents. "Elected government" is important at the center; in the locality, he who governs has always governed. In fact, at the local level the "election" is unnecessary for everyone recognizes who the "real" governor is regardless of the election. If the president at the center interferes by imposing his own "governor," the emissary finds the task difficult because he can do only what the police or the army will do for him, and he discovers for himself an old Napoleonic dictum that the one thing you cannot do with bayonets is to sit on them. He may be the designated governor but the real ruler of the district is the locally accepted leader whose power and influence have come to him "naturally."

What we are really saying is that the central government and the localities are two worlds apart; that the lack of legitimacy, the absence of popularly endowed authority, applies to the center a great deal more than it does to the locality. The prospect of political stability rests on the possibilities of identifying the locality with the center, for that would be one way, perhaps the only way, of making the central government "legitimate." This can be done only in a democratic world through effective political parties, and no such parties are in existence.

General Lazaro Cardenas once remarked that "when all of the

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land belongs to the villages then the government will rest on the villages, but at present it depends upon the army." The reason why the government in Mexico rested upon the army was because there was no other institutionalized basis sufficient for the purpose. This statement can be generalized for all of Latin America. The only exceptions possibly are Costa Rica and Uruguay. So far as the other Latin American countries are concerned, and this includes Brazil, the government's ability to survive to the end of the presidential term and its prospects of passing on the government to the next administration in peace are determined by the army's willingness to stand back of the president. Beyond the army there is no really effective underpinning for the government.

III

In democratic countries such as Great Britain, the United States or Switzerland, the government at the center comes into being in response to a consensus of the localities. If we take the United States as an example, the party in power is built from the local cells, each having an effective role in its own parish and township and having long experience in local self-government. The local government, whether Democratic or Republican, is locally chosen in a free and competitive election. It serves a specific term, at the end of which it has to seek a new term on its record or be turned out. While in office, it has local responsibilities which no other agency of government occupies itself with. A party member nominated for a county office, such as sheriff, district attorney or treasurer, is usually someone who has had considerable experience in local affairs, and his nomination is a reward for service well done or sufficiently well done to receive the support of his neighbors who will vote for him. The same is true of the candidates who stand for election to the state legislature or to the Congress of the United States. The House of Representatives is not the creature of the President, nor is the Senate. The President cannot either prevent or determine the election of a member of either house, nor can he interfere in the election of a state governor, to promote his election or depose him if elected. In addition, each of the units of government has its judiciary and its own law-enforcing agency. Each also has its own taxing powers and collects the taxes it imposes and spends them locally. Intervention by county, state or national government is strictly limited by constitutional proviso and legislative enactment. The government at each higher level is

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chosen, maintained or defeated by the voters at the lower level. The government that comes to office is endowed with limited powers and for a limited period.

But this is not in itself the entire story. The political party which nominates and elects is a voluntary association, independent of the government. The President does not control the Republican or Democratic Party. He may not even be its effective leader. He may see his program defeated in Congress by the members of his own party refusing to vote for the bill he favors. The same is true at the state and local level.

The party itself needs further characterization if this discussion is to help us understand the political differences between the United States and Latin America and to make clear what we mean when we say that the governments in Latin America have no institutional basis because there is no effective political party system there.

The local Democratic or Republican club in any township or city may not have more than a small proportion of the total registered Democratic or Republican voters. But these members between them are likely to be active in the affairs of all the other local organizations—and even a small township manages to have many organized groups: the Veterans of Foreign Wars, the American Legion, the Red Cross, the Rod and Gun Club, the Chamber of Commerce, the Elks, the Lions, the Women's Church Union, the Society for the Prevention of Cruelty to Animals, the public library association, and so on. All of these groups are centers of influence and power. Each represents a real interest, each defends or propagates a policy. Often they communicate with other organizations in the township, county, state and nation and sometimes even with interested groups in other countries. Their activities affect the lives of their neighbors and impinge upon, oppose or support the activities of other groups.

Technically, these groups are not represented in the local political club. In fact, the club seems like only one more local group. But it organizes local political power and elects the officials of government. It is the agency through which the objectives of these many organizations may receive public sanction, support and even legislative enactment. It is the center where the active public-spirited members of the community gather to argue over every issue that comes to the surface of public debate—and whether the question is one of concern to the Chamber of Com-

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merce, the Volunteer Fire Department or the Parent-Teachers Association, some member will arise and speak for the organization concerned because he is a member of it. And this process repeats itself in every township, in every city, and works its way through the party from the local to the national level. The state legislature and the national Congress are the ends of this process.

Nor does this exhaust the list of influences that shape public policy or that give direction to government. But when we say that our government has an institutionalized basis, we refer to the tens of thousands of political clubs within which all the organized activities of the people have virtual representation—and which, taken together, lead to the nomination and election of one or another person to Congress and the Presidency. Clearly the President is not the creator of his own political party and clearly, too, his tenure in office does not depend upon the army.

None of this political complex exists in Latin America. There is no effective local self-government. The school, the roads, the police, the tax collector, the agents of *formal* government are in the central administration. The governors are appointed or are removed by the central administration. The intervenor in Argentina and Brazil, the authority to declare that a state has lost its constitutional powers in Mexico, are illustrative of the central government's control over the state even in countries where there is a constitutionally established federal system. Most of the income from taxes is taken by the central government, the state, counties and townships being left with a pittance. I have seen a village that had built its own school out of local materials with the free labor of its own residents wait for months for the money to buy the windows which they could not make. A community will send a delegation to the capital to sit for months in the antechamber of the president to beg for a pipe or small gasoline engine to bring water to the community. All of this follows from the traditional principle of authoritarian and centralized rule. The president must make every decision and he must provide for all needs. He must do this because there is no effective local government; and in the absence of that, there is no means of developing a political party that can provide the needed support to make the presidency independent of the army.

In spite of the ancient and honorable tradition of the Spanish *cabildo,* there is really no way of organizing a political party with strong roots in local government. Beyond the reach of the large

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urban center, the hacienda, with its enclosed community of *encasillados* living inside the boundaries of a private estate, has no local self-government. For them the government is what local tradition has grown up to define the relations between the *hacendado* and his laborers. The hacienda community, no matter how large, has no civic status. If the population happens to be Indian, there is normally the added barrier of language difference to make political communication most difficult. These communities are comparable to our own mill "village" organized about the southern textile mills until a few years ago, where the mill owner hired the policeman, the schoolteacher and the preacher, and where the local factory "hands" had neither a vote nor a voice in the arrangement of the minutest affairs of their community.

In the case of the village—in Guatemala, for instance—if it is large enough, the central government will control the local administration through one of its own appointed agents who may have the compulsory assistance of a given number of villagers. But the real government, apart from taxes and purely legal imposition, will be in the hands of traditionally recognized authority completely alien to the central government. The central government may be ignorant of its existence or contemptuous of its doings, considering them foolish Indian ways. But the effective authority in these Indian communities is with the traditional government and not with the agents sent down from the center.

An interesting example of this can be seen today in Peru, in the *barrajes* (shanty towns) which have sprung up all around Lima. Where the recent migrants in these communities are of Indian origin, a locally improvised democratic government traditional in the Indian village automatically comes into being. This government takes on the problems of the new community as best it can. All male members vote in the election of the community officers and frequent public assemblies discuss community needs. Actually this government is legally non-existent, since local communities in Peru are run by delegates from the center. Here in the capital of the country is an interesting example of two systems of administration, one legal and *mestizo* and centrally controlled, the other democratic, Indian and legally non-existent.

If the Latin American governments had really been prepared to build a democratic society, here was (and still is in many places) a good foundation based upon custom and traditional folk law. But no political administration has ever contemplated such

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a possibility. The theory of individualism and the practice of organizing everything from above have made it impossible for all practical purposes to incorporate the remnants of democratic practices and customs that still survive among Indian communities. These communities, like the hacienda, are not really part of the civic organization of the state.

This leaves the *mestizo* and Negro communities, other than those on plantations. These will be under the influence of a regional power system that will exist independent of central government. The central government will be represented by appointed officials, except in those areas where there are elections for local office. Where there are elections, the central government will manage to win all the elections, including the local one, for it cannot permit the locality to escape from its control. Even in Mexico no governor of a state could be elected against the will of the president or against his known opposition. The governor of the state has to be a friend of the president. Furthermore, no governor could survive in office if he made it clear that he opposed the administration's policies or that he would not accept the decision about who the next president should be. Any governor who could defy the president on these matters would be stronger than the president and would end by driving the president from office. These are not elements out of which a political party independent of the executive can be built.

In the large urban centers the situation is more complicated. In a number of places the most important local interests are in the hands of foreigners. Or control may lie in the large nearby haciendas, as, for instance, in Trujillo in Peru, in which case urban political life is dominated by the rural. Cities like São Paulo, Lima and Santiago have increased in size so recently that the effective control still lies with the older oligarchic members dominated by strong family allegiances, the same element to which the government belongs. The oligarchy is one aspect of the extended family which reaches back into the regions. It certainly does not provide an effective basis for a political party system. As for the middle class and the workers, these have not discovered their interest or their power and are so dependent upon favors from the government that an independent party composed of these elements is either make-believe for political window-dressing or is inspired with the panacea that lies hidden in the aurora of a possible revolution. They may become elements out of

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which a party grows, but the time when that will happen has not yet arrived.

The president who comes to office has none of the assurance and strength provided by a political party with deep roots in the thousands of communities that form the nation. That is why he has to be the architect of his own power.

This brings us back to Fidel Castro. During the days when he was in the Sierra Maestra with a handful of followers fighting to overthrow the Batista régime he had, on the report of those who knew him best, no ambitions other than the reëstablishment of political freedom in Cuba. He himself wanted neither power nor office. His task would be completed when the dictatorship had fallen and a new democratic government had taken office. Both he and his friends should have known better. But Latin Americans, like others, enjoy living in a make-believe world. They talked as if Cuba were a democracy with political parties and elections and as if the president were chosen by a majority of the people. The facts are quite different. The president either has been a *caudillo* himself or has been imposed by one. The successor to Machado was Batista, the intervening governments were largely his creatures and the successor to Batista is Fidel Castro.

He does not have to be elected. He does not need a Congress. He does not need them because his power would be as equally unrestrained after an election as before one. What passed for political parties has disappeared because they were not parties. They were groups of office seekers in search of a leader who would, by becoming president, authorize their misuse of public funds for private ends. Castro has no need of a political party because the people expect him to govern, to make every decision, to lead them, to impose his will on any and every one who opposes him. If he makes a social revolution, it is good because he makes it. If he did not make one, that would also be good because he did not make one. I am not arguing the merits of his program. That is beside the point in this discussion. This kind of program could have emanated from a popularly elected legislature. What is at issue is that the power, the program, the policy, are personal. He is the executive, the legislative and the judiciary. Every statement he makes is the law of the land. That is what the people want. They know who their government is—Fidel Castro. Not only that, Fidel Castro claims a moral sanction for his power. He destroyed the tyrant and is now bringing justice and liberty to the

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people. As long as the people believe that his intent is good, that his purposes are to protect and help them, then he will continue to be a national hero, a very prince returned to rule with divine power. He is the king come to office again.

His difficulty will arise if and when his actions become suspect as being motivated by personal ends, when he becomes suspicious, arbitrary and tyrannical. When the people become fearful and no longer trust him, should that misfortune befall him, he will be driven to become a tyrant as happened to Calles in Mexico. He will find that he cannot resign his power, cannot transfer it, cannot abandon it. If elections are held, his party will have to win and he will govern as he governs now. To be able to transfer his power he would have had to come to office through a political party which had strong deep roots in every community, that had chosen him and might have chosen someone else. The party would have brought him to office temporarily and when the time came would pass the office on again temporarily to someone else. But there is no such party, nor can it be created overnight.

Fidel Castro would make an important contribution to the democratic development of Cuba if in his intent to democratize the country he would devolve and decentralize the government, give the provinces, towns and villages power of self-government, reform the tax structure so that most of the income from taxes would go to the smallest political units, allow the localities to elect their own officials without interfering, permit the localities to spend their money as they thought best and allow the courts to deal with infractions of the law. But that kind of program would largely strip him of his role as active leader, his followers would not approve of it and the people themselves would in all probability consider that he was weak because he permitted others to do what was clearly his own responsibility—to govern all things.

That is the dilemma of Latin American politics and it reappears in every administration. Democracy requires local self-government and local power independent of the center and beyond its realm. Centralization requires just the opposite, no local power and nothing beyond the reach of the chief executive. How the contemporary Latin American statesmen who believe in democracy can move to increase local power and independence without at the same time undermining their own position is the unanswered question.

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RECENT BOOKS ON INTERNATIONAL RELATIONS

By Henry L. Roberts

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General: Political, Military and Legal

THE UNCERTAIN TRUMPET. By GENERAL MAXWELL D. TAYLOR. New York: Harper, 1960, 203 p. $4.00.

The recently retired Chief of Staff of the United States Army here elaborates his sharp criticism of American strategic and defense policies in recent years. His principal target is exclusive reliance upon nuclear deterrence at the expense of forces for limited forms of war. His recommendations include a defense establishment permitting a flexible response and a complete overhauling of the Joint Chiefs of Staff.

THE QUESTION OF NATIONAL DEFENSE. By OSKAR MORGENSTERN. New York: Random House, 1959, 306 p. $3.95.

Professor Morgenstern here offers his views on the much debated question of the adequacy of our defense measures. In general, he feels that our retaliatory deterrent force is too vulnerable and requires greater diversity and flexibility.

AMERICA THE VINCIBLE. By EMMET JOHN HUGHES. Garden City: Doubleday, 1959, 306 p. $3.95.

As the title indicates, Mr. Hughes—who has in the past been closely associated with the White House—is far from happy about U.S. policies. While many of his specific criticisms are directed against positions attributed to the late John Foster Dulles, his real complaint is with general American attitudes and purposes, which he finds sadly out of touch with the world's realities.

DEMOCRACY IS NOT ENOUGH. By JOHN SCOTT. New York: Harcourt, 1960, 186 p. $3.95.

On the basis of his wide-ranging travels through Asia, Africa and Latin America in the past five years Mr. Scott, a reporter with *Time*, has acquired much information and many insights about the present state and needs of the "hungry world." He feels strongly that formal democracy alone will not suffice to strengthen these countries or give them an alternative to the Communist way of development.

THE AFRO-ASIAN STATES AND THEIR PROBLEMS. By K. M. PANIKKAR. New York: Day, 1960, 104 p. $3.00.

Lectures by an Indian diplomat on the new nations of Asia and Africa, their problems and political prospects.

STRENGTH OF MEN AND NATIONS. By WILLIAM ERNEST HOCKING. New York: Harper, 1959, 248 p. $3.50.

In this extended tract for the times Professor Hocking is primarily concerned with finding some substitute for conflict as a means of composing the differences between nations, more particularly the U.S. and the U.S.S.R. In this search he hopes for some common ground of "identical elements of purpose implied in human nature itself."

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BEYOND SURVIVAL. By Max Ways. New York: Harper, 1959, 250 p. $4.00.

As the title vaguely suggests, Mr. Ways, a senior editor of *Time* magazine, is seeking the basis for a foreign policy that can carry us beyond just national survival. The quest hinges on the articulation of a public philosophy, which, however, remains pretty vague.

UNITED NATIONS: HOPE FOR A DIVIDED WORLD. By Sir Leslie Munro. New York: Holt, 1960, 185 p. $4.00.

A discussion for the general public, by the former president of the General Assembly, of the objects, powers and achievements of the United Nations.

WORLD LEGAL ORDER. By Wallace McClure. Chapel Hill: University of North Carolina Press, 1960, 366 p. $7.50.

The author undertakes to provide answers to the broad question: How can the people of the United States contribute toward the rule of law in the world, that is, to the supremacy of supranational law over national norms?

THEORETICAL ASPECTS OF INTERNATIONAL RELATIONS. Edited by William T. R. Fox. Notre Dame: University of Notre Dame Press, 1959, 118 p. $3.25.

An interesting symposium of essays by Paul H. Nitze, Hans J. Morgenthau, William T. R. Fox, Kenneth N. Waltz, Charles P. Kindleberger, Arnold Wolfers and Reinhold Niebuhr.

LOGISTICS IN THE NATIONAL DEFENSE. By Henry E. Eccles. Harrisburg: Stackpole, 1959, 347 p. $5.00.

A serious and fruitful study of the important role of logistics in warfare, its operational features and its place in the organization of our national defense.

THE WEAPON ON THE WALL. By Murray Dyer. Baltimore: Johns Hopkins Press, 1959, 269 p. $6.00.

A discussion of psychological warfare, or—more genially—political communication as an instrument of national policy.

STRATEGY FOR SURVIVAL. By Wayland Young. Baltimore: Penguin, 1959, 94 p. 65 cents.

A brief argument for preventing the spread of nuclear weapons beyond the two powers now in massive possession of them: a "non-nuclear club" which the author would like Britain to join.

DEFENSE IN THE NUCLEAR AGE. By Stephen King-Hall. Nyack (N.Y.): Fellowship Publications, 1959, 234 p. $2.75.

A discussion of the defense question leading to the conclusion that Britain should abandon, unilaterally if necessary, the use of nuclear energy for military purposes. While the conclusion is obviously controversial the line of reasoning warrants attention.

THE MILITARY AND INDUSTRIAL REVOLUTION OF OUR TIME. By Fritz Sternberg. New York: Praeger, 1959, 359 p. $5.75.

A somewhat choppy and staccato assessment of the political and economic effects produced by the staggering military and industrial advances of our time.

WAR IN THE MODERN WORLD. By Theodore Ropp. Durham: Duke University Press, 1959, 400 p. $10.00.

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A substantial and scholarly history of modern warfare from the age of the "great captains" through the innovations of the industrial revolution, to our age of unlimited violence. The author is professor of history at Duke University.

ORGANIZING PEACE IN THE NUCLEAR AGE. By the Commission to Study the Organization of Peace. New York: New York University Press, 1959, 245 p. $3.75.

This report includes supporting papers on the role of law and politics in the organization of peace and on the peaceful use of atomic energy.

POLITICAL MAN. By Seymour Martin Lipset. Garden City: Doubleday, 1960, 432 p. $4.95.

A series of related essays, by a professor of sociology at the University of California, dealing broadly with the conditions necessary for democracy, voting and other political behavior.

UP FROM LIBERALISM. By William F. Buckley, Jr. New York: McDowell, 1959, 205 p. $3.50.

An effort, by the editor of the *National Review,* to develop a conservative philosophy and program as a counter to the evils, as he sees them, of liberalism, a term which he uses quite elastically.

SUMMIT ROUNDUP. By William H. Stringer. New York: Longmans, 1959, 202 p. $4.50.

Brief sketches of some 21 national leaders throughout the world.

POLITICAL HANDBOOK OF THE WORLD, 1960. Edited by Walter H. Mallory. New York: Harper (for the Council on Foreign Relations), 1960, 237 p. $4.50.

Brought up to date as of January 1, 1960, this standard annual reference work gives the composition of the governments of all countries; sums up party programs and lists their leaders; lists newspapers indicating their political affiliations and editors; and includes facts on the United Nations and associated international agencies.

NATIONAL STUDIES ON INTERNATIONAL ORGANIZATION. New York: Manhattan Publishing Co. (for the Carnegie Endowment), 1959, $3.00 each.

Four further contributions to the series: "Italy and the United Nations" (208 p.); "China and the United Nations" (285 p.); "Australia and the United Nations," by Norman Harper and David Sissons (423 p.); "L'État Souverain et l'Organisation Internationale," by Maurice Bourquin (237 p.).

ODD WORLD: A PHOTO-REPORTER'S STORY. By John Phillips. New York: Simon and Schuster, 1959, 307 p. $4.50.

Memoirs of an active career as a "reporter-photographer" in nearly every corner of the world.

General: Economic, Social and Cultural

DOLLAR SHORTAGE AND THE STRUCTURE OF U.S. FOREIGN TRADE. By Erik Hoffmeyer. Copenhagen: Munksgaard, 1958, 232 p. Kr. 36.

A further contribution to the mounting volume of literature on the "dollar shortage," its nature, causes and cure. Including a critique of most existing theories, it is particularly useful in its careful statistical examination of U.S. foreign trade in the present century.

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DEBT SERVICING CAPACITY AND POSTWAR GROWTH IN INTERNATIONAL INDEBTEDNESS. By Dragoslav Avramovic. Baltimore: Johns Hopkins Press, 1958, 228 p. $5.00.

This important study, made in the staff of the World Bank, examines the growth of international indebtedness in the first postwar decade. It relates capital movements and the payments connected with them to economic growth, international trade and balances of payments.

WIRTSCHAFTSSYSTEME DES WESTENS. Edited by Rudolf Frei. Tübingen: Mohr, 1957–59, 2 v. DM. 39.75.

An international symposium covering Western Europe, Japan and Canada.

WARUM DIE WELT FRIEDEN BRAUCHT. By Werner Zimmermann. Düsseldorf: Econ-Verlag, 1959, 518 p. DM. 25.

A country-by-country survey of economic development and development projects throughout the world.

L'ASSOCIATION DES PAYS D'OUTRE-MER À LA COMMUNAUTÉ ÉCONOMIQUE EUROPÉENNE. By Pierre-Bernard Cousté. Paris: Librairies Techniques, 1959, 286 p. Fr. 1500.

A substantial inquiry into the active and potential relations between the European Economic Community and overseas countries. The author looks forward to the organization of a "grand espace Europe-Afrique."

ECONOMIC DEVELOPMENT. By Henry H. Villard. New York: Rinehart, 1959, 229 p. $2.50.

A useful non-technical introduction to the subject, dealing in turn with development in developed areas, under Communism and in underdeveloped areas.

INTERNATIONAL TRADE AND ECONOMIC GROWTH. By Harry G. Johnson. Cambridge: Harvard University Press, 1958, 204 p. $4.00.

Comparative costs, the balance of payments and the relation of international trade to economic growth are the three main topics dealt with in these studies by a leading younger economic theorist.

ECONOMIC INTEGRATION: THEORETICAL ASSUMPTIONS AND CONSEQUENCES OF EUROPEAN UNIFICATION. By Rolf Sannwald and Jacques Stohler. Princeton: Princeton University Press, 1959, 260 p. $5.00.

The two Swiss authors do a useful service in setting out clearly and systematically theoretical issues concerning a number of aspects of economic integration. The German edition appeared in 1958.

INTRODUCTION TO THE WORLD ECONOMY. By A. J. Brown. New York: Rinehart, 1959, 212 p. $3.50.

A useful, competent, brief introduction.

JENSEITS VON ANGEBOT UND NACHFRAGE. By Wilhelm Röpke. Erlenbach-Zurich: Rentsch, 1958, 368 p. Swiss Fr. 13.45.

After appropriate quotations from Edmund Burke, Professor Röpke proceeds to a critical examination of the dangers in modern mass society, the premises for a free market economy and the inflationary tendencies of a welfare state.

VALUE IN SOCIAL THEORY. By Gunnar Myrdal. New York: Harper, 1959, 269 p. $5.00.

A collection of Myrdal's essays over the last quarter century dealing with the political and moral foundations of social thought and action.

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THE WORLD'S METROPOLITAN AREAS. By International Urban Research. Berkeley: University of California Press, 1959, 115 p. $3.00.

A listing of the world's metropolitan areas of more than 100,000 inhabitants, together with a discussion of the problems of delimiting urban boundaries.

THE HIGH TOWER OF REFUGE. By Edgar H. S. Chandler. New York: Praeger, 1960, 264 p. $6.75.

An account of recent refugee work throughout the world, by the Director of the Refugee Service of the World Council of Churches.

THE POPULATION EXPLOSION AND CHRISTIAN RESPONSIBILITY. By Richard M. Fagley. New York: Oxford University Press, 1960, 260 p. $4.25.

A discussion of the growing demographic pressures and "the need for a more widely held and vigorously supported Christian doctrine of responsible parenthood." The author, a Congregational minister, is Executive Secretary of the Commission of the Churches on International Affairs.

The Second World War

TRIUMPH IN THE WEST. By Arthur Bryant. Garden City: Doubleday, 1959, 438 p. $6.95.

This second volume of what are substantially Field Marshal Lord Alanbrooke's wartime diaries covers the years 1943 to 1946. (First volume, "The Turn of the Tide," noted here October 1957.) Very valuable as first-hand evidence of how decisions were reached, and in giving the author's views at the time and later, it is often querulous in tone and sharply critical of other Allied commanders and political leaders.

COMMENT S'EST JOUÉ NOTRE DESTIN: HITLER ET L'OFFENSIVE DU 10 MAI 1940. By General L. Koeltz. Paris: Hachette, 1957, 252 p. Fr. 945.
UNE CAMPAGNE QUE NOUS AVONS GAGNÉE: TUNISIE, 1942–1943. By Louis Koeltz. Paris: Hachette, 1959, 398 p. Fr. 1800.

Detailed and skillful studies of two important campaigns, one a defeat, one a victory.

UNITED STATES ARMY IN WORLD WAR II. Washington: Department of the Army, Office of the Chief of Military History.

Four new volumes in the history are: "Strategic Planning for Coalition Warfare: 1943–1944," by Maurice Matloff (1960, 640 p. $5.00). One of the sub-series on the War Department, this volume continues the study of general strategic planning through the summer of 1944 and the second Quebec Conference. "Logistical Support of the Armies. Volume II: September 1944–May 1945," by Roland G. Ruppenthal (1959, 540 p. $4.50), is in the sub-series on the European Theater of Operations and deals with logistic issues in the last phase of the conflict. "Cartwheel: The Reduction of Rabaul," by John Miller, Jr. (1959, 418 p. $5.25), one of the sub-series on the Pacific, covers the combined operations that led to the reduction of Rabaul. "Military Relations Between the United States and Canada 1939–1945," by Colonel Stanley W. Dziuban (1960, 432 p. $5.00), is one of a series of special studies.

THE CAMPAIGNS OF WAVELL, 1939–1943. By Robert Woollcombe. London: Cassell, 1959, 227 p. 21/.

An appreciative account of Wavell's mixed record of success and failure in some 14 campaigns in Europe, Africa and Asia.

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ELECTRONIC REPRODUCTION PROHIBITED

THE RECONQUEST OF BURMA. VOLUME II. JUNE 1944–AUGUST 1945. By P. N. Khera and S. N. Prasad. New Delhi: Ministry of Defence, Combined Inter-Services Historical Section (India and Pakistan), 1959, 539 p. (Calcutta: Orient Longmans, Rs. 25.)

This is the fourth volume in the official history of the Indian Armed Forces in the Second World War to deal with the Japanese occupation of and later expulsion from Burma.

THE LIBERATION OF THE PHILIPPINES: LUZON, MINDANAO, THE VISAYAS, 1944–1945. By Samuel Eliot Morison. Boston: Atlantic (Little, Brown), 1959, 338 p. $6.50.

This thirteenth volume in Admiral Morison's vast "History of United States Naval Operations in World War II" includes an excellent account of the disastrous typhoon of December 1944 and of the beginnings of the Kamikaze attacks.

THE NEW ZEALAND PEOPLE AT WAR: POLITICAL AND EXTERNAL AFFAIRS. By F. L. W. Wood. Wellington: War History Branch, Department of Internal Affairs, 1958, 395 p. (Christchurch: Whitcombe, distributor, 25/.)

This volume in the official history of New Zealand in the Second World War deals with the politics—domestic and foreign—of the war years.

The United States

THE DECLINE OF AMERICAN COMMUNISM. By David A. Shannon. New York: Harcourt, 1959, 425 p. $7.50.

This volume, in the series on Communism in American Life sponsored by the Fund for the Republic, traces the diminishing fortunes of the Communist Party in the United States from its relatively prosperous situation at the end of the Second World War to its present state of disarray and isolation.

THE CONGRESSIONAL PARTY: A CASE STUDY. By David B. Truman. New York: Wiley, 1959, 336 p. $7.50.

Professor Truman analyzes the legislative parties in the House and the Senate and the roles of their leaders in the Eighty-First Congress in an effort to ascertain patterns of Congressional behavior.

CONSERVATIVES IN POWER. By Edwin L. Dale, Jr. Garden City: Doubleday, 1960, 214 p. $3.95.

A critical appraisal of the failures and achievements in the fiscal and monetary policies of the Eisenhower Administration. The author is a member of the Washington bureau of *The New York Times*.

NIXON AND ROCKEFELLER: A DOUBLE PORTRAIT. By Stewart Alsop. Garden City: Doubleday, 1960, 240 p. $3.95.

An informal, shrewd and lively appraisal, which is now only half a "campaign biography."

JOHN KENNEDY: A POLITICAL PROFILE. By James MacGregor Burns. New York: Harcourt, 1960, 309 p. $4.75.

While this is, by force of circumstance, a campaign biography, it is a quite solid piece of political and personal analysis.

FRANKLIN D. ROOSEVELT'S WORLD ORDER. By Willard Range. Athens: University of Georgia Press, 1959, 219 p. $4.50.

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An effort to penetrate President Roosevelt's views and premises regarding international affairs and the world order.

THE DECISION TO AID RUSSIA, 1941. By Raymond H. Dawson. Chapel Hill: University of North Carolina Press, 1959, 315 p. $6.00.

A detailed study of the background, in U.S. foreign and domestic politics, of the decision to extend lend-lease aid to the Soviet Union.

THE WORLD WAR AND AMERICAN ISOLATION, 1914–1917. By Ernest R. May. Cambridge: Harvard University Press, 1959, 482 p. $7.50.

A very good and scholarly account of the circumstances that led to the entry of the United States into the First World War. While the subject is a familiar one, Mr. May's particular contribution is in following the interplay of American, British and German policies in the years 1914–1917.

PLANNING FOR FREEDOM. By Eugene V. Rostow. New Haven: Yale University Press, 1959, 437 p. $6.00.

In this volume the Dean of the Yale Law School discusses public policy as it relates to the operation and control of American economic activities.

WHAT AMERICA STANDS FOR. Edited by Stephen D. Kertesz and M. A. Fitzsimons. Notre Dame: University of Notre Dame Press, 1959, 229 p. $4.75.

A symposium ranging over politics, economics, labor, culture and religion.

Western Europe

EUROPEAN ORGANISATIONS, 1959. Fair Lawn (N.J.): Essential Books, 1959, 372 p. $5.40. (*London: Allen and Unwin, 30/.*)

A useful survey and appraisal of the eight principal European organizations that have been created since the war: E.C.E., O.E.E.C., Council of Europe, NATO, W.E.U., the Coal and Steel Community, the Economic Community and the Atomic Energy Community. A Political and Economic Planning report.

EUROPE AND THE SOCIAL ORDER. By J. P. Corbett. Leyden: Sijthoff, 1959, 188 p. Florins 9.25.

An interesting effort to reëxamine various social principles and premises, many of which have faltered under the impact of our highly industrialized society, as they relate to the broad task of European integration.

EUROPA: TAPPE E PROSPETTIVE DI UNIFICAZIONE. By Mario Ferrari Aggradi. Rome: Studium, 1958, 356 p. L. 1800.

A survey of steps toward European integration and coöperation, with particular emphasis on Italy's role.

BRITISH POLICY WITH REGARD TO THE UNIFICATION EFFORTS ON THE EUROPEAN CONTINENT. By Hans Joachim Heiser. Leyden: Sijthoff, 1959, 121 p. Florins 8.40.

This is useful as a short history of official British policy toward some of the major steps in European integration up to the middle of 1957. The analysis is, however, rather limited.

MÉMOIRES DE GUERRE. III: LE SALUT 1944–1946. By Charles de Gaulle. Paris: Plon, 1959, 653 p. Fr. 1695.

This third and concluding volume of General de Gaulle's important memoirs covers the period from the liberation of France to his resignation.

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THE FIFTH REPUBLIC. By Nicholas Wahl. New York: Random House, 1959, 130 p. 95 cents.

A useful "preliminary evaluation" of French politics and institutions since May 1958.

LES 13 COMPLOTS DU 13 MAI. By Merry and Serge Bromberger. Paris: Fayard, 1959, 445 p. Fr. 1200.

Two French journalists undertake to unravel the exceptionally complex and tangled web of events—in France and in Algeria—during the week May 13 to 20, 1958.

THE FRENCH POLITICAL SYSTEM. By Maurice Duverger. Chicago: University of Chicago Press, 1958, 227 p. $4.00.

A critical examination of the structure and operation of the French government under the Fourth Republic.

THE PARLIAMENT OF THE KINGDOM OF THE NETHERLANDS. By E. Van Raalte. London: Hansard Society, 1959, 216 p. 18/.

A comprehensive survey of the organization and operation of the parliamentary system in the Netherlands.

LA BELGIQUE ET L'AIDE ÉCONOMIQUE AUX PAYS SOUS-DÉVELOPPÉS. The Hague: Nijhoff (for the Institut Royal des Relations Internationales), 1959. 529 p. Belgian Fr. 450.

In this comprehensive book a number of Belgian specialists and officials examine economic, political and social aspects of economic development. They consider historical and contemporary evidence and compare the experience of a number of countries and international organizations. Of special interest are the hundred or so pages devoted to Belgium's position and the development of the Congo.

DIE SCHWEIZ IM ZWEITEN WELTKRIEG. Edited by H. R. Kurz. Thun (Switzerland): Ott, 1959, 400 p. Swiss Fr. 44.50.

A work commemorating Swiss military preparation, defensive and other nonbelligerent activities during the Second World War.

DEUTSCHE GESCHICHTE DES NEUNZEHNTEN UND ZWANZIGSTEN JAHRHUNDERTS. By Golo Mann. Frankfurt/Main: S. Fischer, 1958, 989 p. DM. 25.

A solid and thoughtful review and interpretation of German history since the French Revolution.

DER ADMIRALSTAB UND DIE OBERSTEN MARINEBEHÖRDEN IN DEUTSCHLAND: 1848–1945. By Walther Hubatsch. Frankfurt/Main: Verlag für Wehrwesen, 1958, 269 p. DM. 19.50.

A brief history of the German naval command since the mid-nineteenth century.

BISMARCKS ERBEN 1890–1945: DEUTSCHLANDS WEG VON WILHELM II. BIS ADOLF HITLER. By Martin Göhring. Wiesbaden: Steiner, 1959, 451 p. DM. 18.60.

A general review of the course of Germany's foreign policy since Bismarck's fall.

DIE VERTRIEBENEN IN WESTDEUTSCHLAND. By Eugen Lemberg and Others. Kiel: Hirt, 1959, 3 v. DM. 48.

A massive collection of studies dealing with the movement of refugees and displaced persons from Eastern Europe into West Germany. An important source of information on this subject.

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VON DER STABILISIERUNG ZUR KRISE. By Rolf E. Lüke. Zurich: Polygraphischer Verlag, 1958, 363 p. Swiss Fr. 29.

A financial history of Germany from the stabilization of the Mark in 1923–24 to the 1931 crisis.

THE INCREDIBLE KRUPPS. By Norbert Muhlen. New York: Holt, 1959, 308 p. $5.00.

A journalist's account of the Krupp family, its rise, vicissitudes and remarkable powers of survival.

L'AFFAIRE DE BERLIN: 1945–1959. By Jacques Robichon and J. V. Ziegelmeyer. Paris: Gallimard, 1959, 333 p. Fr. 950.

A somewhat journalistic account of the Berlin issue since 1945; the authors' conclusions seem to have little relation to the rest of their narrative.

L'ITALIA NELLA SECONDA GUERRA MONDIALE. By Giuseppe Gorla. Milan: Baldini, 1959, 470 p.

The wartime diary of a member of the council of ministers under Mussolini—"a little stone in the immense edifice of history."

CARTEGGIO. VI: IL DELITTO MATTEOTTI E L'AVENTINO (1923–25). By Filippo Turati and Anna Kuliscioff. Turin: Einaudi, 1959, 536 p. L. 3000.

This sixth volume of the correspondence of the Socialists Turati and Anna Kuliscioff covers the critical years in Italian politics following the assassination of Matteotti.

LA DEMOCRAZIA CRISTIANA. By Vito G. Galati. Milan: Nuova Accademia Editrice, 1958, 143 p. L. 850.
IL PARTITO LIBERALE ITALIANO. By Alberto Giovannini. Milan: Nuova Accademia Editrice, 1958, 193 p. L. 850.
IL PARTITO SOCIALISTA ITALIANO. By Lelio Basso. Milan: Nuova Accademia Editrice, 1958, 174 p. L. 850.
IL MOVIMENTO SOCIALE ITALIANO. By Giorgio Almirante and Francesco Palamenghi-Crispi. Milan: Nuova Accademia Editrice, 1958, 140 p. L. 850.
IL PARTITO NAZIONALE MONARCHICO. By Cesare Degli Occhi and Piero Operti. Milan: Nuova Accademia Editrice, 1958, 143 p. L. 850.
IL PARTITO COMUNISTA ITALIANO. By Palmiro Togliatti. Milan: Nuova Accademia Editrice, 1958, 149 p. L. 850.

A series of brief histories of Italian political parties and movements.

STORIA DEL PARTITO COMUNISTA ITALIANO. By Giorgio Galli. Milan: Schwarz, 1958, 374 p. L. 2500.

A substantial and critical history—from the perspective of the left—of the Italian Communist Party from its origins to 1956.

VATICAN DIPLOMACY. By Robert A. Graham, S. J. Princeton: Princeton University Press, 1959, 442 p. $7.50.

In this authoritative study, Father Graham, S. J., describes the functions, development and operation of papal diplomacy in the relations between the Holy See and secular states.

Eastern Europe and the Soviet Union

PEACE WITH RUSSIA? By Averell Harriman. New York: Simon and Schuster, 1959, 174 p. $3.00.

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Based on a recent trip to the Soviet Union and enriched by the author's earlier experiences as American Ambassador in Moscow, this little book is an excellent and well-balanced survey of contemporary Russia and its leadership. While Mr. Harriman does not discount the prospect of eventual beneficial changes he finds the Soviet Union vigorous and dynamic and run by men with a lively confidence in the triumph of their system.

THE SOVIET BLOC: UNITY AND CONFLICT. By Zbigniew K. Brzezinski. Cambridge: Harvard University Press, 1960, 470 p. $7.75.

This is an admirable study of relations within the Communist bloc as they have changed and developed in the years since 1945. It is the first study from the recently established Center for International Affairs at Harvard.

ATOMIC ENERGY IN THE COMMUNIST BLOC. By George A. Modelski. New York: Cambridge University Press, 1959, 226 p. $5.50.

A brief presentation of what is known about nuclear programs and achievements in the U.S.S.R., Eastern Europe and China.

FÖDERATIONSPLÄNE IM DONAURAUM UND IN OSTMITTELEUROPA. By Joachim Kühl. Munich: Oldenbourg, 1958, 147 p. DM. 10.50.

A brief survey of plans for supranational federations in Danubian and Eastern Europe from the nineteenth century to the present.

THE SOVIET IMAGE OF FUTURE WAR. By Raymond L. Garthoff. Washington: Public Affairs Press, 1959, 137 p. $3.25.

Mr. Garthoff, a serious and conscientious student of Soviet military journals, here presents a concise summary and estimate of recent developments in Soviet strategic doctrine and expectations. A valuable contribution to a most important, but very difficult subject.

DER SOWJETISCHE NEUTRALITÄTSBEGRIFF IN THEORIE UND PRAXIS. By Heinz Fiedler. Cologne: Verlag für Politik und Wirtschaft, 1959, 301 p. DM. 19.80.

An extended analysis of "neutrality" in Soviet theory and practice, including the role of this theme in the current Soviet "coexistence" policy.

DIE RECHTSTHEORETISCHEN UND RECHTSPOLITISCHEN ANSICHTEN JOSEF STALINS. By Klaus Westen. Konstanz: Thorbecke, 1959, 257 p. DM. 19.50.

An analysis of Stalin's views on law, the state and the individual.

STALIN AND THE SOVIET COMMUNIST PARTY. By Abdurakhman Avtorkhanov. New York: Praeger (for the Institute for the Study of the U.S.S.R.), 1959, 379 p. $6.00.

An awkwardly organized study, based on personal experiences as well as research, of the Stalinization of the C.P.S.U. The author was a Party member and functionary until the great purge of 1937.

THE SOVIET BUREAUCRATIC ELITE. By John A. Armstrong. New York: Praeger, 1959, 174 p. $6.00.

An able monographic study of the structure, composition, training and function of the top level of the bureaucracy in the Ukraine since the great purges.

THE RED EXECUTIVE. By David Granick. Garden City: Doubleday, 1960, 334 p. $4.50.

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The author of an earlier study of management of the industrial firm in the U.S.S.R., Professor Granick here deals with the managerial group in Soviet industry—how they arrive, their way of life, their relation with the Party and their outlook toward the world.

LIBRARIES AND BIBLIOGRAPHIC CENTERS IN THE SOVIET UNION. By Paul L. Horecky. Bloomington: Indiana University Publications, 1959, 287 p. $3.00.

PUBLISHING IN THE U.S.S.R. By Boris I. Gorokhoff. Bloomington: Indiana University Publications, 1959, 306 p. $3.00.

Two useful guides to research and publication in the Soviet Union.

A CALENDAR OF SOVIET TREATIES: 1917–1957. By Robert M. Slusser and Jan F. Triska. Stanford: Stanford University Press, 1959, 530 p. $15.00.

A valuable listing of "every identified international agreement entered into by Soviet Russia during the period 1917–57, together with data bearing on its status and references to sources for its text or existence."

THE WARSAW HERESY. By S. L. Shneiderman. New York: Horizon Press, 1959, 253 p. $4.95.

Observations on present-day Poland, more reporting than analysis.

ROZMOWY Z KREMLEM. By Stanislaw Kot. London: Jutro Polski, 1959, 336 p.

This volume by Poland's Ambassador to the U.S.S.R. from 1941 to 1943 complements his earlier work, "Letters from Russia to General Sikorski" ("Listy z Rosji do Gen. Sikorskiego," noted here April 1956). Based on the stenographic notes taken during his 34 sessions with Stalin, Vyshinsky and Molotov, it provides illuminating source material on Soviet tactics regarding the Polish question and on the exiled government's relations with the U.S.S.R. The official notes exchanged by the two governments still await publication.

THE HUNGARIAN EXPERIENCE IN ECONOMIC PLANNING. By Bela A. Balassa. New Haven: Yale University Press, 1959, 285 p. $6.00.

In this study the author presents a theoretical model of central planning based on physical allocation of physical resources and examines the functioning of this model in the experience of Communist Hungary. The author, formerly at the University of Budapest, held several planning positions between 1951 and 1956.

YOU ARE ALL ALONE. By Jozsef Kovago. New York: Praeger, 1959, 295 p. $6.00.

The former mayor of Budapest tells his story of long imprisonment by the Communists, the October revolution and its subsequent suppression by the Soviet Army.

THE REVOLT OF THE MIND. By Tamas Aczel and Tibor Meray. New York: Praeger, 1960, 449 p. $5.00.

Two Hungarians, both highly successful Communist authors during the Stalin era, describe the development of the intellectual revolt among Communist writers that lay so significantly in the background of the 1956 revolution.

THE COMMUNIST PARTY OF BULGARIA. By Joseph Rothschild. New York: Columbia University Press, 1959, 354 p. $7.50.

An excellent, scholarly history of one of the most interesting European Communist Parties, from its nineteenth-century origins to the purges of 1936.

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The British Commonwealth of Nations

HONOURABLE MEMBERS: A STUDY OF THE BRITISH BACKBENCHER. By Peter G. Richards. New York: Praeger, 1959, 285 p. $5.00.

An extensive study of the role of the backbench members of the House of Commons, their role in party politics and their contribution to the operation of the British system of government.

CABINET GOVERNMENT AND WAR: 1890–1940. By John Ehrman. New York: Cambridge University Press, 1958, 137 p. $3.00.

Lectures on the impact of two world wars in transforming the range and nature of British government.

COMMUNISM AND BRITISH INTELLECTUALS. By Neal Wood. New York: Columbia University Press, 1959, 256 p. $4.00.

A perceptive discussion of the various reasons which have in the past led a substantial number of distinguished British intellectuals to a position of sympathy for, or temporary membership in, the quite undistinguished British Communist Party.

THE RISE AND FALL OF SIR ANTHONY EDEN. By Randolph S. Churchill. New York: Putnam, 1959, 327 p. $3.95.

A sustained but ill-organized and scrappy criticism of Eden's career and abilities.

CANADA'S ECONOMIC DEVELOPMENT, 1867–1953. By O. J. Firestone. London: Bowes, 1958, 384 p. 45/.

A useful contribution to Canadian economic history, especially in providing data for long-term comparisons.

AUSTRALIAN GOVERNMENT AND POLITICS. By J. D. B. Miller. London: Duckworth, 1959, 239 p. 21/.

A convenient, brief survey of the whole field of Australian government and politics.

NEW GUINEA AND AUSTRALIA. Edited by John Wilkes. Sydney: Angus and Robertson (for the Australian Institute of Political Science), 1958, 246 p. 25/.

A symposium of papers on Australian policy in and concerning New Guinea and Papua.

The Middle East

OIL AND STATE IN THE MIDDLE EAST. By George Lenczowski. Ithaca: Cornell University Press, 1960, 379 p. $6.75.

The author of "The Middle East in World Affairs" discusses in the present work the significance of Middle East oil in the world economy, the relations between the oil companies and the governments, populace and employees of the host countries.

TURKISH NATIONALISM AND WESTERN CIVILIZATION: SELECTED ESSAYS OF ZIYA GÖKALP. New York: Columbia University Press, 1959, 336 p. $5.00.

A translation of selective writings of the Turkish writer Ziya Gökalp (1876–1924) on the subject of Turkish nationalism and its relation to Islam and the West.

NURI AS-SAID: A STUDY IN ARAB LEADERSHIP. By Lord Birdwood. London: Cassell, 1959, 306 p. 30/.

A biography of the late Prime Minister of Iraq who was slain in the revolution of July 1958.

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REVOLUTION IN IRAQ. By Caractacus. London: Gollancz, 1959, 207 p. 16/.
Chiefly a discussion of opinions and moods in Iraq that contributed to the revolution of July 1958, and of the failure of British policy to take account of them.

ARAB DAWN. By R. K. Karanjia. New York: International Publishers, 1959, 191 p. $3.00.
An Indian journalist's party-line views of developments in the Arab world in recent years.

LA GÉOGRAPHIE DE L'AFGHANISTAN: ÉTUDE D'UN PAYS ARIDE. By J. Humlum. Copenhagen: Gyldendal, 1959, 421 p. Kr. 298.
An excellent, detailed physical, human and economic geography, by a Danish scholar.

South and Southeast Asia

NEW PATTERNS OF DEMOCRACY IN INDIA. By Vera Micheles Dean. Cambridge: Harvard University Press, 1959, 226 p. $4.75.
A thoughtful survey, by the editor of the Foreign Policy Association, of contemporary India, its grave problems and its prospects for the future.

NEHRU: THE YEARS OF POWER. By Vincent Sheean. New York: Random House, 1960, 306 p. $5.00.
An appreciative and interesting account of Nehru's role as Prime Minister. Quite personal in style and approach, it includes Mr. Sheean's observations on the Kashmir question, Nehru's foreign policy and the internal problems of the new India.

A STUDY OF NEHRU. Edited by Rafiq Zakaria. Bombay: Times of India, 1959, 478 p. Rs. 15.
An elaborate symposium of impressions, appraisals and appreciations, by authors from many countries, in celebration of Nehru's seventieth birthday.

SOVIET RUSSIA AND INDIAN COMMUNISM. By David N. Druhe. New York: Bookman Associates, 1959, 429 p. $8.50.
A history of Moscow's interests in India and the shifting policies of the Indian Communist Party in the years from 1917 to 1947.

COMMUNISM IN SOUTH EAST ASIA. By J. H. Brimmell. New York: Oxford University Press (for the Royal Institute of International Affairs), 1959, 415 p. $6.75.
A sober history of the origins and expansion of the Communist movement in Southeast Asia up to the present phase of "peaceful coexistence."

MARXISM IN SOUTHEAST ASIA. Edited by Frank N. Trager. Stanford: Stanford University Press, 1959, 381 p. $7.50.
A symposium of substantial essays by the editor, John Seabury Thomson, David A. Wilson, I. Milton Sacks and Jeanne S. Mintz, on the nature and impact of Marxism in Burma, Thailand, Viet Nam and Indonesia.

The Far East and Pacific Ocean

COMMUNIST CHINA AND ASIA. By A. Doak Barnett. New York: Harper (for the Council on Foreign Relations), 1960, 575 p. $6.95.
This is a major contribution to the very important task of evaluating the growing importance of Communist China in Asia and the world and of developing Ameri-

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can policies to meet the challenges it presents. Initially undertaken in connection with a study group of the Council on Foreign Relations, Mr. Barnett's book surveys a wide range of topics: China's internal political and economic evolution and future potential; its foreign relations, in Asia and with the Soviet bloc; the overseas Chinese; Taiwan; and the lengthy China debates in the United States. Balanced and thoughtful in presentation, the book does not hesitate to offer its own recommendations on such refractory topics as the offshore islands and non-recognition.

THE YELLOW WIND. By William Stevenson. Boston: Houghton, 1959, 424 p. $6.00.

A somewhat disorderly but informative and often lively report on Communist China and some of its border areas. The author, a Canadian journalist, managed to travel about a great deal in the years 1954–1957.

CHINA: CONFUCIAN AND COMMUNIST. By Helmut G. Callis. New York: Holt, 1959, 562 p. $9.00.

A substantial and very broad survey of China—its culture, history and present Communist régime. The author is professor of history at the University of Utah.

MAO TSE-TUNG AND I WERE BEGGARS. By Siao-yu. Syracuse: Syracuse University Press, 1959, 266 p. $6.00.

An interesting and at times quite revealing personal account of Mao Tse-tung as a youth by a Chinese scholar who knew him well in Hunan in the troubled decade before 1921.

THE ECONOMIC DEVELOPMENT OF COMMUNIST CHINA, 1949–1958. By T. J. Hughes and D. E. T. Luard. New York: Oxford University Press (for the Royal Institute of International Affairs), 1960, 223 p. $3.60.

A concise account, based largely on Chinese official sources, of the economic development of mainland China during the first decade of Communist rule. The authors were formerly in the British Treasury and Foreign Service.

RUSSIAN AND SOVIET POLICY IN MANCHURIA AND OUTER MONGOLIA, 1911–1931. By Peter S. H. Tang. Durham: Duke University Press, 1959, 494 p. $10.00.

A solid and scholarly study, based on Chinese, Russian and Western sources, of the development of Russian and subsequent Soviet policy toward two highly important areas on the Russian-Chinese border.

THE REVOLT IN TIBET. By Frank Moraes. New York: Macmillan, 1960, 223 p. $3.95.

An excellent report, by a leading Indian journalist, of the events in Tibet leading to the Dalai Lama's flight and of the repercussions elsewhere in Asia of Communist China's aggressive actions.

THE PURGE OF JAPANESE LEADERS UNDER THE OCCUPATION. By Hans H. Baerwald. Berkeley: University of California Press, 1959, 111 p. $2.25.

A monograph dealing with the program known formally as "The Removal and Exclusion of Undesirable Personnel from Public Office."

THE UNITED NATIONS AND THE PEACEFUL UNIFICATION OF KOREA. By Leon Gordenker. The Hague: Nijhoff, 1959, 306 p. Guilders 18.75.

A monographic study dealing with the work of the United Nations field commission in Korea in the three years preceding the outbreak of the Korean War in 1950.

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SOUVERAINETÉ SUR L'ANTARCTIQUE. By J.-F. Da Costa. Paris: Librairie Générale de Droit, 1958, 249 p. Fr. 2800.

A juridical analysis of the question of sovereignty and claims in the Antarctic and a study of French policy with respect to that continent.

Africa

AFRICA: ITS PEOPLES AND THEIR CULTURE HISTORY. By George Peter Murdock. New York: McGraw-Hill, 1959, 456 p. $11.75.

A substantial survey of the native peoples and cultures of Africa, by a professor of anthropology at Yale.

LES RELATIONS ÉCONOMIQUES EXTÉRIEURES DES PAYS D'AFRIQUE NOIRE DE L'UNION FRANÇAISE, 1925–1955. By Jean-Jacques Poquin. Paris: Colin, 1957, 297 p. Fr. 1600.

A constructive and critical study of trade relations between French Africa and France.

PROBLÈMES HUMAINS EN AFRIQUE OCCIDENTALE. By Jacques Richard-Molard. Paris: Présence Africaine, 1958, 467 p. Fr. 1000.

In this interesting collection of papers a young French geographer deals with economic, demographic and ethnological problems of a number of French West African territories.

GUINÉE, ÉTAT-PILOTE. By Fernand Gigon. Paris: Plon, 1959, 109 p. Fr. 420.

In a short book a Swiss journalist gives an interesting picture of Guinea during its first year of independence. Though he offers many judgments he has probably not solved all the riddles of that new nation, but he manages to throw a good bit of light.

L'EXPÉRIENCE GUINÉENNE ET L'UNITÉ AFRICAINE. By Sékou Touré. Paris: Présence Africaine, 1959, 436 p.

Though speeches by Sékou Touré make up the larger part of this book, it also contains other important documents concerning the independence of Guinea.

HISTOIRE DU TOGO. By Robert Cornevin. Paris: Berger-Levrault, 1959, 427 p. Fr. 1950.

A general history of Togoland with a good deal of emphasis on current prospects and problems.

RÉALITÉS OUBANGUIENNES. By Pierre Kalck. Paris: Berger-Levrault, 1959, 356 p. Fr. 1950.

A useful survey of economic, social and political conditions in French Central Africa.

GEZIRA: A STORY OF DEVELOPMENT IN THE SUDAN. By Arthur Gaitskell. London: Faber, 1959, 372 p. 42/.

A detailed and authoritative story of the Gezira irrigation and development scheme. The author was connected with the project for nearly 30 years.

THE ETHIOPIANS. By Edward Ullendorff. New York: Oxford University Press, 1960, 232 p. $4.80.

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By Donald Wasson

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